



COUNCIL REGULAR SESSION

Wednesday, December 17, 2025 at 7:00 PM

COUNCIL MEMBERS:

Mayor Jennifer Massey
Council President Jessica Chilton
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

LOCATION & CONTACT:

HYBRID: Council Chambers & Zoom (details below)

Website | www.sthelensoregon.gov

Email | kpayne@sthelensoregon.gov

Phone | 503-397-6272

Fax | 503-397-4016

UPDATED AGENDA

CALL REGULAR SESSION TO ORDER

PLEDGE OF ALLEGIANCE

VISITOR COMMENTS – *Limited to three (3) minutes per speaker*

RESOLUTIONS

- 1. Resolution No. 2063:** A Resolution to Set 2026 City Public Meetings and Holiday Closures Schedule for City of St. Helens City Council, Boards, and Commissions

APPROVE AND/OR AUTHORIZE FOR SIGNATURE

- 2.** Amendment No. 1 to Consor North America, Inc. Contract for Wastewater Capacity Improvements to Sanitary Sewer Mains in Basins 4, 5, & 6
- 3.** Amendment No. 3 to Oregon Business Development Dept. Interim Financing Contract for the Riverfront Redevelopment Project
- 4.** Agreement with Advantage JC Excavating LLC for Services related to Clean-up of Various Properties (including properties declared a nuisance)
- 5.** Agreement with Oregon Patrol Service for Bailiff Services
- 6.** Joint Memorandum of Understanding with Columbia Economic Team (CET) for Administration of Growing Rural Oregon (GRO) Initiative
- 7.** Extension of Agreement with the St. Helens School District for Mutual Use of Facilities
- 8.** AFFF Nationwide Class Action Settlement Contingent Fee Agreement
- 9.** Amendment No. 1 to Extend the Independent Contractor Agreement with Treadway Events & Entertainment LLC for Production and Management of Events including the Community Day Event
- 10.** Amendment No. 3 to the Purchase and Sale Agreement for property located at 1300 Kaster Road between the City of St. Helens and Arcadia Holdings, LLC

APPOINTMENT TO CITY BOARDS AND COMMISSIONS

- 11.** Reappoint Scott Jacobson to Parks & Trails Commission

CONSENT AGENDA FOR ACCEPTANCE

[12.](#) Library Board Minutes dated November 10, 2025

CONSENT AGENDA FOR APPROVAL

[13.](#) City Council Minutes dated December 3, 2025

[14.](#) New Job Description for a Public Works Operations Manager

[15.](#) Accounts Payable Bill Lists

WORK SESSION ACTION ITEMS

COUNCIL MEMBER REPORTS

MAYOR MASSEY REPORTS

PROACTIVE ITEMS

OTHER BUSINESS

ADJOURN

VIRTUAL MEETING DETAILS

Join: <https://us02web.zoom.us/j/87669155468?pwd=bWxdNWbC5q6MCyOamQASc9widYOK03.1>

Passcode: 404700

Phone one-tap: +16699009128

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to City Hall at 503-397-6272.

Be a part of the vision and get involved...volunteer for a City Board or Commission! For more information or for an application, go to www.sthelensoregon.gov or call 503-366-8217.

City of St. Helens
RESOLUTION NO. 2063

**A RESOLUTION TO SET 2026 CITY PUBLIC MEETINGS AND HOLIDAY
CLOSURES SCHEDULE FOR CITY OF ST. HELENS COUNCIL,
BOARDS, AND COMMISSIONS**

WHEREAS, the City Council holds meetings generally on the first and third Wednesdays of each month, with the work session beginning at 3:00 p.m. and the regular session beginning at 7:00 p.m. in the City Council Chambers and virtually via Zoom. Council public forums or public hearings, if any, are usually scheduled between 5-7:00 p.m. on those Wednesdays; and

WHEREAS, the Arts & Cultural Commission is currently on hiatus and if/when meetings resume, notice will be sent out; and

WHEREAS, the Budget Committee meets when convened in the City Council Chambers and virtually via Zoom; and

WHEREAS, the Library Board meets generally on the second Monday of each month at 7:15 p.m. virtually via Zoom; and

WHEREAS, the Parks & Trails Commission meets generally on the second Monday of every month at 4:00 p.m. in the City Council Chambers and virtually via Zoom; and

WHEREAS, the Planning Commission meets generally on the second Tuesday of each month at 6:30 p.m. in the City Council Chambers and virtually via Zoom; and

WHEREAS, the City Council and Library Board will meet biannually on the fourth Wednesday of February and August at 7:00 p.m. in the City Council Chambers and virtually via Zoom; and

WHEREAS, the City Council and Parks & Trails Commission will meet biannually on the fourth Wednesday of April and October at 4:00 p.m. in the City Council Chambers and virtually via Zoom; and

WHEREAS, the City Council and Planning Commission will meet biannually on the second Wednesday of March and September at 4:00 p.m. in the City Council Chambers and virtually via Zoom; and

WHEREAS, from time to time the Council appoints special committees to work on special projects for the City. Due notice will be given to the public and media of such meetings; and

WHEREAS, if a regularly scheduled meeting falls on or near a holiday, the respective meeting may have been moved to an alternate date; and

WHEREAS, if the Governor issues a state of emergency and prevents the meeting of groups in the respective locations as stated above, the meeting will only be held virtually via Zoom. Due notice will be given as to the details to attend the meetings; and

WHEREAS, all public meetings and closures are listed on the City's website at www.sthelensoregon.gov. Please check there for agendas, packets, and updates.

NOW, THEREFORE, THE CITY OF ST. HELENS RESOLVES as follows and adopts the 2026 City Public Meetings and Holiday Closures Schedule, for January through December, attached and listed as Exhibit A to this Resolution.

Approved and adopted by the City Council on December 17, 2025, by the following vote:

Ayes:

Nays:

Jennifer Massey, Mayor

ATTEST:

Kathy Payne, City Recorder

January 1, 2026

Thursday

All Day

New Years Day -- CLOSED

January 7, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

January 12, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

January 13, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

January 19, 2026

Monday

All Day

Martin Luther King Jr. Day -- CLOSED

January 21, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

February 4, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

February 9, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

February 10, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

February 16, 2026

Monday

All Day

Presidents' Day -- CLOSED

February 18, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

February 25, 2026

Wednesday

7:00 PM - 9:00 PM

Joint Council/Library Board Meeting -- Council Chambers & Zoom

March 4, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

March 9, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

March 10, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

March 11, 2026

Wednesday

4:00 PM - 6:00 PM

Joint City Council/Planning Commission Meeting -- Council Chambers & Zoom

March 18, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

April 1, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

April 13, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

April 14, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

April 15, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

April 22, 2026

Wednesday

4:00 PM - 6:00 PM

Joint Council/Parks & Trails Commission Meeting -- Council Chambers & Zoom

May 6, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

May 11, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

May 12, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

May 20, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

May 25, 2026

Monday

All Day

Memorial Day -- CLOSED

June 3, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

June 8, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

June 9, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

June 17, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

July 1, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

July 3, 2026

Friday

All Day

Independence Day (Observed) -- CLOSED

July 13, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

July 14, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

July 15, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

August 5, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

August 10, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

August 11, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

August 19, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

August 26, 2026

Wednesday

7:00 PM - 9:00 PM

Joint Council/Library Board Meeting -- Council Chambers & Zoom

September 2, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

September 7, 2026

Monday

All Day

Labor Day -- CLOSED

September 8, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

September 9, 2026

Wednesday

4:00 PM - 6:00 PM

Joint City Council/Planning Commission Meeting -- Council Chambers & Zoom

September 14, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

September 16, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

October 7, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

October 12, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

October 13, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

October 21, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

October 28, 2026

Wednesday

4:00 PM - 6:00 PM

Joint Council/Parks & Trails Commission Meeting -- Council Chambers & Zoom

November 4, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

November 9, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

November 10, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

November 11, 2026

Wednesday

All Day

Veterans' Day -- CLOSED

November 18, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

November 18, 2026 Continued

Wednesday

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

November 26, 2026

Thursday

All Day

Thanksgiving Day -- CLOSED

November 27, 2026

Friday

All Day

Day After Thanksgiving -- CLOSED

December 2, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

December 8, 2026

Tuesday

6:30 PM - 10:00 PM

Planning Commission Meeting -- Council Chambers & Zoom

December 14, 2026

Monday

4:00 PM - 6:00 PM

Parks & Trails Commission Meeting -- Council Chambers and Zoom

7:15 PM - 9:00 PM

Library Board Meeting -- Zoom

December 16, 2026

Wednesday

3:00 PM - 7:00 PM

Council Work Session -- Council Chambers and Zoom

7:00 PM - 8:00 PM

Council Regular Session -- Council Chambers and Zoom

December 24, 2026

Thursday

All Day

Christmas Eve -- CLOSED

December 25, 2026

Friday

Item #1.

All Day

Christmas Day -- CLOSED

**SECOND AMENDMENT TO
Consor Personal Service Agreement
Wastewater Collection System Capacity Improvements Professional Engineering Design Services
Project No. S-679**

This agreement is entered into this _____ day of December 2025, by and between the City, (hereinafter "City"), and Consor North America, Inc. (hereinafter "Contractor").

RECITALS

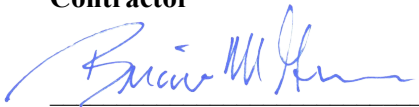
- A. City and Contractor entered into a Personal Service Agreement on February 21, 2024, and said contract, hereinafter "original contract", is on file at St. Helens City Hall.
- B. The term of the original contract expires on December 31, 2025.
- C. The City desires to extend the contract time of the original contract with the Contractor to retain their services on the Wastewater Collection System Capacity Improvements Project.

NOW, THEREFORE, in consideration for the mutual covenants contained herein the receipt and sufficiency of which are hereby acknowledged, Contractor and City agree as follows:

- 1. The recitals set forth above are true and correct and are incorporated herein by this reference.
- 2. The contract expiration date shall be extended to December 31, 2026.
- 3. All other terms of the original contract not specifically amended by this agreement remain in full force and effect.

Dated this _____ day of December 2025.

Contractor



Date: 12/9/2025

City

Jennifer Massey, Mayor

Date: _____

Attest:

By: _____
Kathy Payne, City Recorder

SPECIAL PUBLIC WORKS FUND DEVELOPMENT PROJECT
INTERIM FINANCING CONTRACT

Amendment Number 03

Project Name: Riverfront Redevelopment Project

Project Number: B21006

This amendment is made and entered into by and between the State of Oregon, acting by and through the Oregon Infrastructure Finance Authority of the Oregon Business Development Department (“OBDD”), and City of Saint Helens (“Recipient”), and amends the Financing Contract between Recipient and OBDD, Project Number B21006, dated 26 April 2022, (as amended, “Contract”) for the above-named Project. Capitalized terms not defined in this amendment have the meanings assigned to them by the Contract.

Recital: The purpose of this amendment is to amend Section 1.

The parties agree as follows:

1. Amend Section 1- Key Terms of the Contract as follows (deletion in ~~striketrough~~; addition in double underline):

The following capitalized terms have the meanings assigned below.

“Estimated Project Cost” means \$22,708,627.

“Interest Rate” means 0.6% per annum.

“Loan Amount” means \$14,677,678.

“Maturity Date” means Project Closeout Deadline, or the receipt of Refunding Proceeds by either party.

“Project Closeout Deadline” means 90 days after the earlier of the Project Completion Date or the Project Completion Deadline.

“Project Completion Deadline” means ~~26 October 2025~~ 26 June 2026.

OBDD will have no obligation under this amendment, unless within 60 days after receipt, Recipient delivers to OBDD the following items, each in form and substance satisfactory to OBDD and its Counsel:

- (i) this amendment duly executed by an authorized officer of Recipient; and
- (ii) such other certificates, documents, opinions and information as OBDD may reasonably require.

SIGNATURE PAGE FOLLOWS

Except as specifically provided above, this amendment does not modify the Contract, and the Contract shall remain in full force and effect during the term thereof. This amendment is effective on the date it is fully executed and approved as required by applicable law.



STATE OF OREGON
 acting by and through its
 Oregon Infrastructure Finance Authority of the
 Oregon Business Development Department



CITY OF SAINT HELENS

By: _____
 Edward Tabor, Infrastructure & Program
 Services Director

By: _____
 The Honorable Jennifer Massey, Mayor

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

/s/ David Berryman as per email dated 25 November 2025
 David Berryman, Assistant Attorney General

City of St. Helens

PERSONAL SERVICES AGREEMENT

This PERSONAL SERVICES AGREEMENT (this “Agreement”) is made and entered into by and between the **City of St. Helens** (the “City”), an Oregon municipal corporation, and **Advantage JC Excavating LLC** (“Contractor”).

RECITALS

A. The City is in need of personal services for clean-up of various properties inside the city limits of St. Helens, and Contractor represents that it is qualified and prepared to provide such services.

B. The purpose of this Agreement is to establish the services to be provided by Contractor and the compensation and terms for such services.

AGREEMENT

1. Engagement. The City hereby engages Contractor to provide services (“Services”) related to clean-up of various properties inside the city limits of St. Helens, and Contractor accepts such engagement. The principal contact for Contractor shall be **Colleen DeShazer**, phone **503-396-2551**.

2. Scope of Work. The duties and responsibilities of Contractor, including a schedule of performance, shall be as described in Attachment A attached hereto and incorporated herein by reference.

3. Term. Subject to the termination provisions of Section 10 of this Agreement, this Agreement shall commence once executed by both parties and shall terminate on **December 31, 2027**. The City reserves the exclusive right to extend the contract for a period of two (2) years in one (1) year increments. Such extensions shall be in writing with terms acceptable to both parties. Any increase in compensation for the extended term shall be as agreed to by the parties but shall not exceed five percent (5%) of the then-current fees.

4. Compensation. The terms of compensation for the initial term shall be as provided in Attachment C.

5. Payment.

5.1 The City agrees to pay Contractor for and in consideration of the faithful performance of the Services, and Contractor agrees to accept from the City as and for compensation for the faithful performance of the Services, the fees outlined in Attachment C, except that the hourly fee shall include all local travel, local telephone expense, computer

expense, and routine document copying. Reimbursable expenses shall be billed at cost without markup and shall include travel and related expenses in compliance with the City's travel and expense policy, reproduction of documents or reports with prior written approval, and long-distance telephone expenses. Contractor's cost for approved sub-consultants may be marked up a maximum of five percent (5%) by Contractor for management and handling expenses.

5.2 Contractor shall make and keep reasonable records of work performed pursuant to this Agreement and shall provide detailed monthly billings to the City. Following approval by the City Administrator, billings shall be paid in full within thirty (30) days of receipt thereof. The City shall notify Contractor of any disputed amount within fifteen (15) days from receipt of the invoice, give reasons for the objection, and promptly pay the undisputed amount. Disputed amounts may be withheld without penalty or interest pending resolution of the dispute.

5.3 The City may suspend or withhold payments if Contractor fails to comply with any requirement of this Agreement.

5.4 Contractor is engaged by the City as an independent contractor in accordance with the standards prescribed in ORS 670.600. Contractor shall not be entitled to any benefits that are provided by the City to City employees.

5.5 Any provision of this Agreement that is held by a court to create an obligation that violates the debt limitation provision of Article XI, Section 9 of the Oregon Constitution shall be void. The City's obligation to make payments under this Agreement is conditioned upon appropriation of funds pursuant to ORS 294.305 through 294.565.

6. Document Ownership. Contractor shall retain all common law, statutory and other reserved rights, including copyrights, in all work products, including, but not limited to, documents, drawings, papers, computer programs and photographs, performed or produced by Contractor for the benefit of the City under this Agreement, except that all copies of such plans, designs, calculations and other documents and renditions provided to City shall become the property of City who may use them without Contractor's further permission for any lawful purpose related to the project. Upon execution of this agreement, Contractor grants to City an irrevocable, nonexclusive license to use Contractor's work products created through its services for the project. The license granted under this section permits City to authorize its contractors, subcontractors of any tier, consultants, subconsultants of any tier, and material or equipment suppliers, to reproduce applicable portions of the work products in performing services for the project. Any unauthorized use of Contractor's work product for purposes unrelated to the project shall be at City's sole risk and without liability to Contractor.

7. Notices. All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

CITY: City of St. Helens
Attn: City Administrator
265 Strand Street
St. Helens OR 97051

CONTRACTOR: Advantage JC Excavating LLC
Attn: Colleen DeShazer
33623 Bennett Road
Warren, OR 97053
Phone: 503-396-2551
Email: advantageex@gmail.com

When so addressed, such notices, bills and payments shall be deemed given upon deposit in the United States mail, postage-prepaid.

8. Standard of Care. Contractor shall comply with the applicable professional standard of care in the performance of the Services. Contractor shall prepare materials and deliverables in accordance with generally accepted standards of professional practice for the intended use of the project.

9. Insurance.

9.1 At all times during the term of this Agreement, Contractor shall carry, maintain and keep in full force and effect a policy or policies of insurance as specified in Attachment B attached hereto and incorporated herein by reference.

9.2 All insurance policies shall provide that the insurance coverage shall not be canceled or reduced by the insurance carrier without thirty (30) days' prior written notice to the City. Contractor agrees that it will not cancel or reduce said insurance coverage without the written permission of City.

9.3 Contractor agrees that if it does not keep the aforesaid insurance in full force and effect, the City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, the City may take out the necessary insurance and pay, at Contractor's expense, the premium thereon. If the City procures such insurance, the City may charge the cost against any moneys due Contractor hereunder or for any other contract.

9.4 At all times during the term of this Agreement, Contractor shall maintain on file with the City a Certificate of Insurance or a copy of actual policies acceptable to the City showing that the aforesaid policies are in effect in the required coverages. The policies shall contain an endorsement naming the City, its council members, officers, employees and agents, as additional insureds (except for the professional liability and workers' compensation insurance).

9.5 The insurance provided by Contractor shall be primary to any coverage available to the City. The insurance policies (other than workers' compensation) shall include provisions for waiver of subrogation. Contractor shall be responsible for any deductible amounts outlined in such policies.

10. Termination.

10.1 Termination for Cause. City may terminate this Agreement effective upon delivery of written notice to Contractor under any of the following conditions:

10.1.1 If City funding from federal, state, local, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of service. This Agreement may be modified to accommodate a reduction in funding.

10.1.2 If Federal or State regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this Agreement.

10.1.3 If any license or certificate required by law or regulation to be held by Contractor, its subcontractors, agents, and employees to provide the services required by this Agreement is for any reason denied, suspended, revoked, or not renewed.

10.1.4 If Contractor becomes insolvent, if a voluntary or an involuntary petition in bankruptcy is filed by or against Contractor, if a receiver or trustee is appointed for Contractor, or if there is an assignment for the benefit of creditors of Contractor.

10.1.5 If Contractor is in breach of this Agreement, and such breach is not remedied as contemplated by Section 10.2 of the Agreement.

10.2 Breach of Agreement

10.2.1 Contractor shall remedy any breach of this Agreement within the shortest reasonable time after Contractor first has actual notice of the breach or City notifies Contractor of the breach, whichever is earlier. If Contractor fails to remedy a breach within three (3) working days of its actual notice or receipt of written notice from the City, City may terminate that part of the Agreement affected by the breach upon written notice to Contractor, may obtain substitute services in a reasonable manner, and may recover from Contractor the amount by which the price for those substitute services exceeds the price for the same services under this Agreement.

10.2.2 If the breach is material and Contractor fails to remedy the breach within three (3) working days of receipt of written notice from the City, City may declare Contractor in default, terminate this Agreement and pursue any remedy available for a default.

10.2.3 Pending a decision to terminate all or part of this Agreement, City unilaterally may order Contractor to suspend all or part of the services under this Agreement. If City terminates all or part of the Agreement pursuant to this Section 10.2, Contractor shall be entitled to compensation only for services rendered prior to the date of termination, but not for any services rendered after City ordered suspension of those services. If City suspends certain services under this Agreement and later orders Contractor to resume those services after determining Contractor was not at fault, Contractor shall be entitled to reasonable damages actually incurred, if any, as a result of the suspension.

10.2.4 In the event of termination of this Agreement due to the fault of the Contractor, City may immediately cease payment to Contractor, and when the breach is remedied, City may recover from Contractor the amount by which the price for those substitute services exceeds the price for the same services under this Agreement, along with any additional amounts for loss and damage caused to the City by the breach, and withhold such amounts from amounts owed by City to Contractor. If the amount due Contractor is insufficient to cover City's damages due to the breach, Contractor shall tender the balance to City upon demand.

10.3 Termination for Convenience. City may terminate all or part of this Agreement at any time for its own convenience by providing three (3) days written notice to Contractor. Upon termination under this paragraph, Contractor shall be entitled to compensation for all services properly rendered prior to the termination, including Contractor's and sub consultants reasonable costs actually incurred in closing out the Agreement. In no instance shall Contractor be entitled to overhead or profit on work not performed.

11. No Third-Party Rights. This Agreement shall not create any rights in or inure to the benefit of any parties other than the City and Contractor.

12. Modification. Any modification of the provisions of this Agreement shall be set forth in writing and signed by the parties.

13. Waiver. A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach. All waivers shall be done in writing.

14. Indemnification.

14.1 Liability of Contractor for Claims Other Than Professional Liability. For claims for other than professional liability, Contractor shall defend, save and hold harmless City, its officers, agents and employees from all damages, demands, claims, suits, or actions of whatsoever nature, including intentional acts, resulting from or arising out of the activities or omissions of Contractor, its subcontractors, sub-consultants, agents or employees under this Agreement. A claim for other than professional responsibility is a claim made against the City in which the City's alleged liability results from an act or omission by Contractor unrelated to the quality of professional services provided by Contractor.

14.2 Liability of Contractor for Claims for Professional Liability. For claims for professional liability, Contractor shall save, and hold harmless City, its officers, agents and employees, from all claims, suits, or actions arising out of the professional negligent acts, errors or omissions of Contractor, its subcontractors, sub-consultants, agents or employees in the performance of professional services under this Agreement. A claim for professional responsibility is a claim made against the City in which the City's alleged liability results directly from the quality of the professional services provided by Contractor, regardless of the type of claim made against the City.

14.3 Contractor and the officers, employees, agents and subcontractors of Contractor are not agents of the City, as those terms are used in ORS 30.265.

15. Governing Laws. This Agreement shall be governed by the laws of the State of Oregon.

16. Compliance with Law.

16.1 Contractor shall comply with all applicable federal, state and local statutes, ordinances, administrative rules, regulations and other legal requirements in performance of this Agreement.

16.2 Contractor shall pay promptly, as due, all persons supplying labor or materials for the prosecution of the services provided for in the Agreement and shall be responsible for such payment of all persons supplying such labor or material to any subcontractor.

16.3 Contractor shall promptly pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of the Agreement.

16.4 Contractor shall not permit any lien or claim to be filed or prosecuted against the City or its property on account of any labor or material furnished and agrees to assume responsibility for satisfaction of any such lien or claim so filed or prosecuted.

16.5 Contractor and any subcontractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.617.

16.6 If Contractor fails, neglects or refuses to make prompt payment of any claim for labor or materials furnished to the Contractor or a subcontractor by any person in connection with the Agreement as such claim becomes due, the City may pay such claim to the persons furnishing the labor or material and charge the amount of payment against funds due or to become due Contractor by reason of the Agreement. The payment of a claim in the manner authorized hereby shall not relieve the Contractor from his/her or its obligation with respect to any unpaid claim. If the City is unable to determine the validity of any claim for labor or material furnished, the City may withhold from any current payment due Contractor an amount equal to said claim until its validity is determined and the claim, if valid, is paid.

16.7 Contractor shall promptly, as due, make payment to any person, copartnership, association, or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to employees of such Contractor, of all sums which the Contractor agrees to pay for such services and all monies and sums which the Contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.

16.8 No person may be employed for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires it, and in such cases the employee shall be paid at least time and a half pay:

16.8.1 Either:

16.8.1.1 For all overtime in excess of eight hours in any one day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or

16.8.1.2 For all overtime in excess of 10 hours in any one day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and

16.8.2 For all work performed on Saturday and on any legal holiday specified in ORS 279C.540;

16.8.3 Contractor shall pay employees for overtime work performed

under the Agreement in accordance with ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 USC 201, et seq.).

16.9 The Contractor must give notice to employees who work on this Agreement in writing, either at the time of hire or before commencement of work on the Agreement, or by posting a notice in a location frequented by employees, of the number of hours per day and the days per week that the employees may be required to work.

16.10 All subject employers working under the Contractor are either employers that will comply with ORS 656.017, or employers that are exempt under ORS 656.126.

16.11 All sums due the State Unemployment Compensation Fund from the Contractor or any subcontractor in connection with the performance of the Agreement shall be promptly so paid.

16.12 Contractor certifies compliance with all applicable Oregon tax laws, in accordance with ORS 305.385.

16.13 Contractor certifies that it has not and will not discriminate against a subcontractor in awarding a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055. Without limiting the foregoing, Contractor expressly agrees to comply with: (i) Title VI of the Civil Rights Act of 1964; (ii) Section V of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990, (iv) ORS 659.425, (v) all regulations and administrative rules established pursuant to those laws; and (vi) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

16.14 The Contractor represents and warrants that Contractor (i) is not currently an employee of the federal government or the State of Oregon, and (ii) meets the specific independent contractor standards of ORS 670.600.

16.15 If Contractor is a foreign contractor as defined in ORS 279A.120, Contractor shall comply with that section and the City must satisfy itself that the requirements of ORS 279A.120 have been complied with by Contractor before City issues final payment under this agreement.

16.16 If this Contract exceeds \$50,000, is not otherwise exempt, and includes work subject to prevailing wage, Contractor shall comply with ORS 279C.838, ORS 279C.840, and federal law.

16.17 Contractor shall not provide or offer to provide any appreciable pecuniary or material benefit to any officer or employee of City in connection with this Agreement in violation of ORS chapter 244.

16.18 Contractor shall ensure that any lawn and landscape maintenance, if

applicable, shall contain a condition requiring the contractor to salvage, recycle, compost or mulch yard waste material at an approved site, if feasible and cost-effective.

16.19 Contractor is a “subject employer,” as defined in ORS 656.005, and shall comply with ORS 656.017.

16.20 Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender, age, national origin, physical or mental disability, or disabled veteran or veteran status in violation of state or federal laws.

16.21 Contractor certifies that it currently has a City business license or will obtain one prior to delivering services under this Agreement.

16.22 Any other condition or clause required by law to be in this Agreement shall be considered included by this reference.

17. Confidentiality. Contractor shall maintain the confidentiality, both external and internal, of that confidential information to which it is exposed by reason of this Agreement. Contractor warrants that its employees assigned to this Agreement shall maintain necessary confidentiality.

18. Publicity. Contractor shall not use any data, pictures, or other representations of the City in its external advertising, marketing programs, or other promotional efforts except with prior specific written authorization from the City.

19. Succession. This Agreement shall inure to the benefit of and shall be binding upon each of the parties hereto and such parties’ partners, successors, executors, administrators and assigns.

20. Assignment. This Agreement shall not be assigned by Contractor without the express written consent of the City. Contractor shall not assign Contractor’s interest in this Agreement or enter into subcontracts for any part of the Services without the prior written consent of the City.

21. Mediation/Dispute Resolution

21.1 Should any dispute arise between the parties to this Agreement it is agreed that such dispute will be submitted to a mediator prior to any arbitration or litigation, and the parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and, only in the event said mediation efforts fail, through litigation or binding arbitration. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in the City of St. Helens, unless both parties agree in writing otherwise. If arbitration is selected by the parties, the parties shall exercise good faith efforts to select an

arbitrator who shall be compensated equally by both parties. Venue for any arbitration shall be the City of St. Helens. Venue for any litigation shall be the Circuit Court for Columbia County.

22. Attorney Fees. If legal action is commenced in connection with this Agreement, the prevailing party in such action shall be entitled to recover its reasonable attorney fees, expert fees and costs incurred therein at arbitration, trial and on appeal.

23. Records, Inspection and Audit by the City.

23.1 Contractor shall retain all books, documents, papers, and records that are directly pertinent to this Agreement for at least three years after City makes final payment on this Agreement and all other pending matters are closed.

23.2 Services provided by Contractor and Contractor's performance data, financial records, and other similar documents and records of Contractor that pertain, or may pertain, to the Services under this Agreement shall be open for inspection by the City or its agents at any reasonable time during business hours. Upon request, copies of records or documents shall be provided to the City free of charge.

23.3 The City shall have the right to inspect and audit Contractor's financial records pertaining to the Services under this Agreement at any time during the term of this Agreement or within three (3) years after City makes final payment on this Agreement and all other pending matters are closed.

23.4 This Section 23 is not intended to limit the right of the City to make inspections or audits as provided by law or administrative rule.

24. Force Majeure. Neither City nor Contractor shall be considered in default because of any delays in completion and responsibilities hereunder due to causes beyond the control and without fault or negligence on the part of the parties so disenabled, including but not restricted to, an act of God or of a public enemy, civil unrest, volcano, earthquake, fire, flood, epidemic, quarantine restriction, area-wide strike, freight embargo, unusually severe weather or delay of subcontractor or supplies due to such cause; provided that the parties so disenabled shall within ten days from the beginning of such delay, notify the other party in writing of the cause of delay and its probable extent. Such notification shall not be the basis for a claim for additional compensation. Each party shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon cessation of the cause, diligently pursue performance of its obligation under the Agreement.

25. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the Services described herein.

26. Severance. If any provision of this Agreement is held to be invalid, it will not affect the validity of any other provision. This Agreement will be construed as if the invalid provision had never been included.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed by its duly authorized undersigned agent, and Contractor has executed this Agreement on the date written below.

CITY:

CITY OF ST. HELENS

Council Meeting Date: _____

Signature: _____

Print: _____

Title: _____

Date: _____

CONTRACTOR:

Advantage JC Excavating LLC

Signed by: _____
Signature: Colleen Marie C Deshaizer

Print: Colleen Deshaizer

Title: Owner

Date: 12/5/2025

APPROVED AS TO FORM:

By: _____
City Attorney

ATTACHMENT A
Scope of Work

- Clean-up of declared nuisance properties and City-owned properties in the city limits of St. Helens, including the removal of anything having characteristics of an attractive nuisance or which is liable to attract children, to include but not limited to:
 - Junk
 - Machinery
 - Automobile bodies or parts thereof
 - Equipment
 - Structures
 - Buildings
 - Appliances and parts thereof
 - Metal
 - Glass
 - Paper
 - Lumber/wood
 - Waste material
 - Discarded material
 - Abandoned personal property of any nature
 - Overgrown trees, bushes, grass, weeds, or any plant which constitutes a fire hazard, a menace to public health or safety, or are unsightly
- Contractor will use reasonable care performing the work with respect to taking precautions necessary to avoid harm to itself and others in the performance of the work.
- Contractor will use workmanlike methods to perform the work.

ATTACHMENT B INSURANCE REQUIREMENTS

Contractor and its subcontractors shall maintain insurance acceptable to the City in full force and effect throughout the term of this Contract. It is agreed that any insurance maintained by the City shall apply in excess of, and not contribute toward, insurance provided by Contractor. The policy or policies of insurance maintained by Contractor and its subcontractors shall provide at least the following limits and coverage:

TYPE OF INSURANCE	LIMITS OF LIABILITY		REQUIRED FOR THIS CONTRACT
General Liability	Each occurrence General Aggregate Products/Comp Ops Aggregate Personal and Advertising Injury	\$1,000,000 \$2,000,000 \$2,000,000 \$1,000,000 w/umbrella or \$1,500,000 w/o umbrella	YES
Please indicate if Claims Made or Occurrence			
Automobile Liability	Combined Single – covering any vehicle used on City business	\$2,000,000	YES
Workers' Compensation	Per Oregon State Statutes If workers compensation is not applicable please initial here _____. State the reason it is not applicable: _____		YES
Professional Liability	Per occurrence Annual Aggregate	\$500,000 or per contract \$500,000 or per contract	NO

Contractor's general liability and automobile liability insurance must be evidenced by certificates from the insurers. The policies shall name the City, its officers, agents and employees, as additional insureds and shall provide the City with a thirty (30)-day notice of cancellation.

Workers' compensation insurance must be evidenced by a certificate from the insurer. The certificate need not name the City as an additional insured, but must list the City as a certificate holder and provide a thirty (30)-day notice of cancellation to the City.

Professional liability insurance must be evidenced by a certificate from the insurer. The certificate need not name the City as an additional insured.

Certificates of Insurance shall be forwarded to:

City Administrator
City of St. Helens
265 Strand Street
St. Helens, OR 97051

Contractor agrees to deposit with the City, at the time the executed Contract is returned, Certificates of Insurance and Binders of Insurance if the policy is new or has expired, sufficient to satisfy the City that the insurance provisions of this Agreement have been complied with and to keep such insurance in effect and the certificates and/or binders thereof on deposit with the City during the entire term of this Agreement. Such certificates and/or binders must be delivered prior to commencement of the Services.

The procuring of such required insurance shall not be construed to limit Contractor's liability hereunder. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury or loss caused by negligence or neglect connected with this Agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (Item #4.
12/31/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Portland Office Marsh McLennan Agency LLC 14900 SW Barrows Rd, Ste 202 Beaverton, OR 97007	CONTACT NAME: Sara Garcia-Herrera	
	PHONE (A/C, No, Ext): (971) 888-7955	FAX (A/C, No):
	E-MAIL ADDRESS: sara.garcia-herrera@marshmma.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : HDI Global Insurance Company	41343
INSURED Advantage JC Excavating, LLC 33623 Bennett Road Warren, OR 97053	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PROJECT ☒ LOC ☐ OTHER:	X	X	HDI55CL9013711-03	1/18/2025	1/18/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	☒ AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☒ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY	X	X	HDI55CL9013711-03	1/18/2025	1/18/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	☐ UMBRELLA LIAB ☐ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	☐ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A				PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Commercial Property			HDI55CL9013711-03	1/18/2025	1/18/2026	Personal Property 27,317

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of St. Helen their officers, managers, members, employees, and agents are additional insured, on a primary/non-contributory basis, including waiver of subrogation, in accordance with the terms and conditions of the policy.
30 Day Notice of Cancellation, except 10 days for non-payment of premium.

CERTIFICATE HOLDER

CANCELLATION

City Administrator City of St. Helens 265 Strand Street Saint Helens, OR 97051	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Sara Garcia-Herrera</i>



AGENCY CUSTOMER ID: ADVAJCE-01

LOC #: 1

SUBBERA

Item #4.

ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY Portland Office		NAMED INSURED Advantage JC Excavating, LLC 33623 Bennett Road Warren, OR 97053
POLICY NUMBER SEE PAGE 1		
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Attention Certificate Holders:

Marsh McLennan Agency is not the agent of record for Advanced Air System's Worker's Compensation policy. Certificates of Insurance for the Workers Compensation coverages must be obtained from the carrier or agent of record.

ARTISANS ADVANTAGE ENHANCED COVERAGE ENDORSEMENT

Item #4.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS – SPECIAL FORM
COMMERCIAL PROPERTY CONDITIONS
COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

When this endorsement is attached to the policy, insurance under the Building and Personal Property Coverage Form, the Causes of Loss – Special Form, the Commercial Property Conditions and the Commercial General Liability Coverage Form is enhanced to provide the coverages described in this endorsement. All other conditions of the policy continue to apply.

This coverage is subject to the provisions applicable to the Building and Personal Property Coverage Form, Causes of Loss – Special Form, the Commercial Property Conditions and the General Liability Coverage Form.

SCHEDULE

<u>Coverage Enhancements</u>	<u>Limits of Insurance Each Location</u>
<u>Property Coverage</u>	
Premises Boundary	1,000 feet
<u>Property Coverage Extensions</u>	
Newly Acquired or Constructed Property	
Buildings	\$500,000. at Each Building
Business Personal Property	\$250,000. at Each Building
Personal Effects and Property of Others	\$ 25,000. at Replacement Cost
Valuable Papers and Records (Other than Electronic Data)	\$ 25,000.
Property Off-Premises (Including Laptops and Other Electronic Equipment)	\$ 15,000.
Outdoor Property (Named Perils)	\$ 1,000. per tree/shrub, max. limit \$25,000.
Non-Owned Detached Trailers	\$ 10,000.
Accounts Receivable	\$ 50,000.
Property in Transit (Including Laptops and Other Electronic Equipment)	\$ 15,000.
Fine Arts	\$ 25,000.
<u>Property Additional Coverages</u>	
Debris Removal	\$ 25,000.
Fire Department Service Charge	\$ 5,000.
Pollutant Clean-up and Removal	\$ 15,000.
Electronic Data	\$ 25,000.
Interruption of Computer Operations	\$ 15,000.
Arson Reward	\$ 5,000.
Water Back-Up and Sump Overflow	\$ 25,000.
Brands and Labels	\$ 25,000.
Employee Theft	\$ 10,000.
Business Income Including Extra Expense	\$ 25,000.
Business Income from Dependent Properties	\$ 10,000.
Claims Expenses	\$ 10,000.
Inventory or Appraisal Cost	\$ 5,000.
Money and Securities	
Inside	\$ 10,000.
Outside	\$ 5,000.
Off Premises Power Failure – Direct Damage	\$ 10,000.
Ordinance or Law Coverage	
Coverage A	Included within Building Limit.
Coverages B and C Combined	25% of Bldg. Limit, \$150,000. maximum
Outdoor Signs	\$ 10,000.
Recharging of Fire Extinguishers	\$ 5,000.
Unauthorized Business Card Use	\$ 5,000.
Forgery or Alteration	\$ 10,000.
Salespersons Samples	\$ 2,500.

Inland Marine Coverages

Installation Coverage	\$ 10,000.
Contractors Equipment Coverages:	
Small Tools	\$ 5,000. (Maximum limit per item \$1,000)
Employee Small Tools	\$ 1,000. (Maximum limit per item \$250)
Leased and Rented Equipment	\$ 5,000.
Rental Reimbursement	\$ 1,000.

General Liability Additional Coverages

Blanket Additional Insured (Including Primary Non-Contributing Coverage)	Included in Each Occurrence Limit
Mobile Equipment Broadened Coverage	Included in Each Occurrence Limit
Aggregate Limit Per Project	Included in Each Occurrence Limit
Blanket Waiver	Included in Each Occurrence Limit
Voluntary Property Damage Coverage	\$ 2,500.

The following applies to coverages under this endorsement only.

Property Coverage

The phrase 'within 100 feet of the described premises' used in Paragraphs **a.(5)(b)**, **b.** and **c.(2)** under **A.1. Covered Property** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** and Paragraph **2.c.(1)** under **C. Limitations** of the **CAUSES OF LOSS – SPECIAL FORM** is replaced by the phrase 'within 1,000 feet of the described premises'.

Property Coverage Extensions

Paragraph **A.5. Coverage Extensions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

If a Coinsurance percentage of 80% or more or, a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property**(1) Buildings**

If this policy covers Building, you may extend that insurance to apply to:

- (a)** Your new buildings while being built on the described premises; and
- (b)** Buildings you acquire at locations, other than the described premises, intended for:
 - (i)** Similar use as the building described in the Declarations; or
 - (ii)** Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Your Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (i)** Business personal property, including such property that you newly acquire, at any location you acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
- (ii)** Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (iii)** Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(b) This Extension does not apply to:

- (i)** Personal property of others that is temporarily in your possession in the course of installing or performing

work on such property; or

- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to:

- (a) Personal effects owned by you, your officers, your partners or members, your managers or your employees.
- (b) Personal property of others in your care, custody or control.

This Extension does not apply to employee tools.

- (2) The most we will pay for loss or damage under this Extension is \$25,000 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

(3) Extension Of Replacement Cost To Personal Property Of Others

- (a) Replacement Cost coverage is extended to apply to personal property of others.
- (b) Paragraphs 3.b.(1) and 4. under **G. Optional Coverages** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** are deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.
- (c) With respect to replacement cost on the personal property of others the following limitation applies:

If an item of personal property of others is subject to a written contract which governs your liability for loss or damage to that item, then valuation of that item will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage to valuable papers and records that you own, or that are in your care, custody or control, caused by or resulting from a Covered Cause of Loss. This Extension includes the cost to research lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) Coverage under this Extension is limited to the "specified causes of loss" as defined in the **CAUSES OF LOSS – SPECIAL FORM**, and Collapse as set forth in that form.
- (3) This Extension does not apply to:
 - (a) Property held as samples or for delivery after sale;
 - (b) Property in storage away from the premises shown in the Declarations.
- (4) Section **B. Exclusions** in the **CAUSES OF LOSS – SPECIAL FORM** does not apply to this Extension, except for:
 - (a) Paragraph **B.1.c.** Governmental Action;
 - (b) Paragraph **B.1.d.** Nuclear Hazard;
 - (c) Paragraph **B.1.f.** War And Military Action;
 - (d) Paragraph **B.2.f.**;
 - (e) Paragraph **B.2.g.**; and
 - (f) Paragraph **B.3.**
- (5) The most we will pay under this Extension for loss or damage to valuable papers and records in any one occurrence at each described premises is \$25,000.

For valuable papers and records not at a described premises, the most we will pay is \$5,000 in occurrence.

Item #4.

Such amounts are additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-Premises (Including Laptops And Other Electronic Equipment)

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
 - (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$15,000.

e. Outdoor Property (Named Perils)

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, retaining walls (other than retaining walls that are a part of a building), radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Vandalism;
- (5) Vehicle Damage;
- (6) Riot or Civil Commotion; or
- (7) Aircraft.

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$1,000 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

f. Non-Owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$10,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Accounts Receivable

- (1) You may extend the insurance that applies to Your Business Personal Property to accounts receivable. We will pay:
 - (a) All amounts due from your customers that you are unable to collect;
 - (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 - (c) Collection expenses in excess of your normal collection expenses that are made necessary by "loss"; and
 - (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable; that result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.
- (2) The most we will pay under this Extension for loss or damage in any one occurrence at each described "premises" is \$50,000.
- (3) Section **B.Exclusions** in the **CAUSES OF LOSS – SPECIAL FORM** does not apply to this Extension, except for:
 - (a) Paragraph **B.1.c.** Governmental Action;
 - (b) Paragraph **B.1.d.** Nuclear Hazard;
 - (c) Paragraph **B.1.f.** War And Military Action;
 - (d) Paragraph **B.2.f.**;
 - (e) Paragraph **B.2.g.**; and
 - (f) Paragraph **B.3.**
- (4) The following additional exclusion applies to the Extension:
We will not pay for:
 - (a) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money," "securities" or other property.
This exclusion applies only to the extent of the wrongful giving, taking or withholding.
 - (b) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.
 - (c) Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

h. Property In Transit (Including Laptops And Other Electronic Equipment)

F.1. under **Additional Coverage Extensions** of the **CAUSES OF LOSS – SPECIAL FORM** is deleted and replaced with the following:

1. Property In Transit (Including Laptops And Other Electronic Equipment)

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$15,000.

i. Fine Arts

- (1) You may extend the insurance that applies to Your Business Personal Property to cover "fine arts" owned by you and located on the premises described in the Declarations
- (2) In addition to the exclusions in **CAUSES OF LOSS – SPECIAL FORM** we will not pay for loss or damage caused by or resulting from repairing, restoration, or retouching processes.

- (3) In the event of loss or damage, we will pay the actual cash value of the item. The actual cash value will be the price you paid for the item, or the value as determined by an appraisal of the item not more than 360 days prior to the date of loss or damage. In no event will the actual cash value exceed the amount necessary to repair or replace the item with substantially like property. Item #4.

- (4) The most we will pay for "fine arts" at any premises described in the Declarations is \$25,000.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

Property Additional Coverages

The following are Additional Coverages. The Additional Condition, Coinsurance, does not apply to these coverages.

A. Debris Removal

A.4.a. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

a. Debris Removal

- (1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
- (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

(5) Examples

Example #1

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 50,000
Amount of Loss Payable	\$ 49,500
	(\$50,000 – \$500)
Debris Removal Expense	\$ 10,000
Debris Removal Expense Payable	\$ 10,000
	(\$10,000 is 20% of \$50,000)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example #2

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 80,000

Amount of Loss Payable	\$ 79,500
	(\$80,000 – \$500)
Debris Removal Expense	\$ 35,500
Debris Removal Expense Payable	
Basic Amount	\$ 10,500
Additional Amount	\$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500). The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$35,500) exceeds 25% of the loss payable plus the deductible (\$35,500 is 44.375% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$35,500 = \$115,000) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$35,500.

B. Fire Department Service Charge

A.4.c. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

C. Pollutant Clean-up And Removal

A.4.d. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$15,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

D. Electronic Data

A.4.f. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

f. Electronic Data

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data, which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (3) In addition to the "specified causes of loss" as defined in the **CAUSES OF LOSS – SPECIAL FORM**, and Collapse as set forth in that form, the following are covered causes of loss:
 - (a) A virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (b) Changes in your electrical power supply, including interruption, power surge, blackout or brownout cause of such event originates 100 feet or less from any premises described in the Declarations; Item #4.
- (c) "Dishonest" acts committed by your employees acting alone or in collusion with other persons, except you or your partners, directors or trustees, but theft by employees is not covered;
- (d) Dampness or dryness of atmosphere or changes in or extremes of temperature;
- (e) Floods, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; and
- (f) Earth movement, such as an earthquake, landslide or earth sinking, rising or shifting.
- (4) The most we will pay under this **Additional Coverage – Electronic Data** is \$25,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved.

E. Interruption Of Computer Operations

We will pay your necessary "Extra Expense" to continue normal operations caused by an interruption in computer operations due to destruction or corruption of your electronic data due to a Covered Cause of Loss.

We will also pay for your actual "Business Income" if you must close all or part of your business due to destruction or corruption of your electronic data due to a Covered Cause of Loss.

The most we will pay under this coverage is \$15,000 for any one occurrence.

Under this **Additional Coverage – Interruption Of Computer Operations**, electronic data has the meaning set forth in Paragraph 5. **Limitation – Interruption of Computer Operations** included in **Additional Coverage – Business Income Including Extra Expense** of this form.

F. Arson Reward

We will reimburse you for an arson reward that you give to someone who discloses information that leads to the conviction of a person or persons for arson at the premises described in the Declarations.

The most we will pay under this coverage is \$5,000 each occurrence.

G. Water Back-Up And Sump Overflow

1. We will pay for direct physical loss or damage to Covered Property caused by or resulting from:
 - a. Water which backs up through or overflows from a sewer or drain; or
 - b. Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.However, with respect to Paragraph b. above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.
2. The coverage described in Paragraph 1. above does not apply to loss or damage resulting from an insured's failure to:
 - a. Keep a sump pump or its related equipment in proper working condition; or
 - b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.
3. The most we will pay under this coverage is \$25,000 each occurrence.
4. With respect to the coverage provided in this **Additional Coverage – Water Back-Up and Sump Overflow**, Paragraph 3. of the **Water Exclusion** included in this Policy does not apply.

H. Brands And Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or part of the property at an agreed or appraised value. If so, you may:

1. Stamp the word 'Salvage' on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
2. Remove the brands and labels, if doing so will not physically damage the merchandise or its containers to comply with the law.

We will pay reasonable costs you incur to perform the activity described in Paragraphs 1. and 2. above. The most we will pay for these costs and the value of the damaged property under this Additional Coverage is \$25,000.

Payments under this Additional Coverage are subject to and not in addition to the Limits of Insurance.

I. Employee Theft

1. We will pay for direct loss of or damage to Your Business Personal Property and your "money" and "securities" resulting from "theft" committed by any of your "employees" acting alone or in collusion with other persons (except you or your partners, members or managers) with the manifest intent to:
 - a. Cause you to sustain loss or damage; and also

- b. Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit pensions or other employee benefits earned in the normal course of employment) for:
 - (1) Any "employee"; or
 - (2) Any other person or organization.
- 2. We will not pay for loss or damage:
 - a. Resulting from any "dishonest" act that you or any of your partners, members, officers, "managers," directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose commit, whether acting alone or in collusion with other persons; or
 - b. Resulting from any criminal act that you or any of your partners, members, officers, "managers," directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose commit, whether acting alone or in collusion with other persons; or
 - c. The only proof of which as to its existence or amount is one or both of the following:
 - (1) An inventory computation; or
 - (2) A profit and loss computation.
- 3. The most we will pay under this Additional Coverage for loss or damage in any one occurrence is \$10,000.
- 4. All loss or damage:
 - a. Caused by one or more "employees"; and
 - b. Involving a single act or series of related acts; is considered one occurrence.
- 5. We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
- 6. This Additional Coverage does not apply to loss caused by an "employee" after discovery by:
 - a. You; or
 - b. Any of your partners, officers or directors, or members or "managers" not in collusion with the "employee"; of any "theft" or any other "dishonest" act committed by that "employee" before or after being hired by you.
- 7. **Extended Period To Discover Loss**
 - a. We will pay for loss that you sustained prior to the effective date of termination or cancellation of this policy, which is discovered by you no later than 1 year from the date of that termination or cancellation.
 - b. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded by this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
- 8. If you discover a loss or damage during the policy period that you (or any predecessor in interest) sustained during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - a. This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - b. The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- 9. The insurance under Paragraph 8. above is provided within, and not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
 - a. This Additional Coverage as of its effective date; or
 - b. The prior insurance, had it remained in effect.
- 10. None of the exclusions in Section **B. Exclusions** of the **CAUSES OF LOSS – SPECIAL FORM** apply to Employee Theft Coverage provided under this endorsement except:
 - a. **B.1.c. Governmental Action;**
 - b. **B.1.d. Nuclear Hazard;** and
 - c. **B.1.f. War And Military Action.**
- 11. We will not pay for loss as specified below:
 - a. **Acts Committed by You or Your Partners**
 - (1) Loss resulting from any "dishonest" act committed by your or any of your partners whether acting alone or in collusion with other persons.
 - (2) Loss resulting from any criminal act committed by your or any of your partners whether acting alone or in

collusion with other persons.

Item #4.

b. Indirect Loss

Loss that is an indirect result of any act or occurrence covered by this insurance including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of, or loss from damage to "money" and "securities".
- (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this Additional Coverage.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Additional Coverage.

c. Legal Expenses

Expenses related to any legal action.

12. Ownership Of Property; Interests Covered

The property covered under this Additional Coverage is limited to property:

- a. That you own or lease;
- b. That you hold for others; or
- c. For which you are legally liable, except for property inside the premises of a "client" of yours.

However, this coverage is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this coverage must be presented by you.

13. Valuation – Settlement

Subject to the Limit of Insurance, we will pay for:

- a. Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (1) At face value in the "money" issued by that country; or
 - (2) In the United States of America dollar equivalent determined by the rate of exchange published in The Wall Street Journal on the day the loss was discovered.
- b. Loss of "securities" but only up to and including their value at the close of business on the day that loss was discovered. We may, at our option:
 - (1) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities";
 - (2) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities." However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - (a) Value of the "securities" at the close of business on the day the loss was discovered; or
 - (b) Limit of Insurance.

J. Business Income Including Extra Expense

1. Coverage

a. Business Income

Business Income means the:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (2) Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Business Income includes "Rental Value."

We will pay the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration." The "suspension" must be caused by direct physical loss of or damage to property at the premises described in the Declarations, including personal property in the open (or in a vehicle) within 1,000 feet, caused by or resulting from any Covered Cause of Loss.

b. Extra Expense

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expenses to repair or replace property) to:

Item #4.

- (1) Avoid or minimize the "suspension" of business and to continue operations at the premises described in the Declarations or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location;
- (2) Minimize the "suspension" of business if you cannot continue "operations."

We will pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

2. Additional Coverages

a. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations," the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

b. Civil Authority

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When Civil Authority for Business Income ends;
- whichever is later.

c. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this additional coverage, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations," with reasonable speed, to the level which would generate the "business income" amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 30 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located. Item #4.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this additional coverage, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
 - (i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii)** 30 consecutive days after the date determined in **(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

3. Limits of Insurance

The most we will pay for loss under this **Additional Coverage - Business Income Including Extra Expense** in any one occurrence is \$25,000.

Payments under the following additional coverages will not increase the applicable Limit of Insurance:

- a.** Alterations and New Buildings;
- b.** Civil Authority; or
- c.** Extended Business Income.

4. Valuation

The following is added to **E.7. Valuation** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

- g.** The amount of Business Income loss will be determined based on:
 - (1)** The Net Income of the business before the direct physical loss or damage occurred;
 - (2)** The likely Net Income of the business if no loss or damage occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3)** The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4)** Other relevant sources of information, including:
 - (a)** Your financial records and accounting procedures;
 - (b)** Bills, invoices and other vouchers; and
 - (b)** Deeds, liens or contracts.
- h.** The amount of Extra Expense will be determined based on:
 - (1)** All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a)** The salvage value that remains of any property bought for temporary use during the "period of restoration" once "operations" are resumed; and
 - (b)** Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (2)** Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.
- i. Loss Payment**

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Additional Coverage and:

 - (1)** We have reached an agreement with you on the amount of loss; or

(2) An appraisal award has been made.

j. Resumption of Operations

We will reduce the amount of your:

(1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations," in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

(2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

If you do not resume "operations," or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

5. Limitation – Interruption of Computer Operations

- a. Coverage for Business Income does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the **Additional Coverage – Interruption Of Computer Operations**.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the **Additional Coverage – Interruption Of Computer Operations**.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

K. Business Income From Dependent Properties

- 1. We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the coverage period. The "suspension" must be caused by direct physical loss of or damage at the premises of a dependent property caused by or resulting from a Covered Cause of Loss.

However, this Additional Coverage does not apply when the only loss to dependent property is loss or damage to electronic data, including destruction or corruption of electronic data. If the dependent property sustains loss or damage to electronic data and other property, coverage under this Additional Coverage will not continue once the other property is repaired, rebuilt or replaced. Electronic data has the meaning set forth in Paragraph 5. **Limitation – Interruption of Computer Operations** included in **Additional Coverage – Business Income Including Extra Expense** of this form.

The most we will pay under this Additional Coverage is \$10,000 in any one occurrence.

- 2. We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume "operations," in whole or in part, by using any other available:
 - a. Source of materials; or
 - b. Outlet for your products.
- 3. If you do not resume "operations," or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.
- 4. Business Income, as it pertains to this **Additional Coverage – Business Income From Dependent Properties**, means:
 - a. Net income (net profit or loss before income taxes) that would have been earned or incurred if no physical loss or damage had occurred, but not including any net income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss; and
 - b. Continuing normal operating expenses incurred, including ordinary payroll.
- 5. Dependent property means property operated by others whom you depend on to:
 - a. Deliver materials or services to you, or to others for your account. But services does not mean water, communication or power supply services;
 - b. Accept your products or services;
 - c. Manufacture your products for delivery to your customers under contract for sale; or
 - d. Attract customers to your business.

The dependent property must be located in the coverage territory of this policy.
- 6. The coverage period for Business Income under this Additional Coverage:

- a. Begins 72 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property; and
 - b. Ends on the date when the property at the premises of the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
7. The Business Income coverage period, as stated in Paragraph 6., does not include any increased period required due to the enforcement of any ordinance or law that:
- a. Regulates the construction, use or repair, or requires the tearing down, of any property; or
 - b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not reduce the Business Income coverage period.

L. Claims Expenses

In the event of covered loss or physical damage we will pay up to \$10,000 in any one occurrence as an additional Limit of Insurance to cover reasonable expenses incurred by you at our specific request to assist us in:

- 1. The investigation of a claim or suit; or
- 2. The determination of the amount of loss, such as taking inventory, or auditing business records.

M. Inventory Or Appraisal Cost

We will pay up to \$5,000 each occurrence for the cost of any inventory or appraisal required as a result of direct physical loss or damage to covered property caused by or resulting from a Covered Cause of Loss.

N. Money And Securities

- 1. We will pay for loss of "money" and "securities" used in your business caused by "theft," disappearance or destruction. The most we will pay for loss in any one "occurrence" under this coverage is:
 - a. \$10,000 for "money" and "securities" while inside the "premises" or a "banking premises."
 - b. \$5,000 for "money" and "securities" while in the care and custody of a "messenger."

2. Additional Exclusions Applicable to Money And Securities

We will not pay for loss as specified below:

- a. Loss resulting from accounting or arithmetical errors or omissions;
- b. Loss resulting from the giving or surrendering of property in any exchange or purchase.
- a. Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- d. Loss resulting from any "dishonest" act committed by any of your "employees," directors, trustees or authorized representatives:
 - (1) Acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise.
- e. Loss resulting from any criminal act committed by any of your "employees," directors, trustees or authorized representatives:
 - (1) Acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise.
- f. Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises."
 - (1) On the basis of unauthorized instructions; or
 - (2) As a result of a threat to do:
 - (a) Bodily harm to any person; or
 - (b) Damage to any property.
 - (3) But, this exclusion does not apply to loss of "money" and "securities" while outside the "premises" or "banking premises" in the care and custody of a "messenger" if you:
 - (a) Had no knowledge of any threat at the time the conveyance began; or
 - (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.
- g. Loss resulting from your, or anyone acting on your express or implied authority, being induced by any "dishonest" act to voluntarily part with title to or possession of any property.

3. Additional Conditions

- a. The reference to "money" and "securities" in Subparagraph A.2.a. **Property Not Covered** of the **BUILDING AND**

PERSONAL PROPERTY COVERAGE FORM does not apply to the coverage provided by this form.

Item #4.

- b. You must keep records of all “money” and “securities” so we can verify the amount of loss or damage.

O. Off Premises Power Failure – Direct Damage

1. With respect to coverage provided in this **Additional Coverage – Off Premises Power Failure – Direct Damage**, Exclusion **B.1.e.** of the **CAUSES OF LOSS – SPECIAL FORM** is deleted in its entirety and replaced as follows:

e. Utility Services

The failure of utility service (other than Power Supply Service) supplied to the described premises, however caused, if the failure occurs away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead, the Special Exclusion in Paragraph **B.4.a.(1)** applies to these coverages.

2. The following Additional Coverage is added:

Off Premises Power Failure – Direct Damage

- a. We will pay for loss of or damage to Covered Property caused by an interruption in Power Supply Service to the described premises. The interruption in Power Supply Service must result from direct physical loss or damage by a Covered Cause of Loss to property that is located off the described premises.
- b. Coverage under this Additional Coverage does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in Paragraph **5. Limitation – Interruption of Computer Operations** included in **Additional Coverage – Business Income Including Extra Expense** of this form.
- c. Power Supply Service means the following types of property supplying electricity, steam or gas to the described premises:
- (1) Utility generating plants;
 - (2) Switching stations;
 - (3) Substations;
 - (4) Transformers; and
 - (5) Transmission lines, including overhead transmission lines.
- d. The most we will pay for any one occurrence is \$10,000.

P. Ordinance Or Law Coverage

Exclusion **B.1.a. Ordinance Or Law** of the **CAUSES OF LOSS – SPECIAL FORM** is deleted and the following coverage applies:

1. Ordinance or Law Coverage applies only if the following is satisfied.
- a. The ordinance or law:
- (1) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - (2) Is in force at the time of loss.
- But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.
- b. (1) The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
- (2) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.
- (3) But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this additional coverage even if the building has also sustained covered direct physical damage.
- c. In the situation described in **1.b.(2)** above, we will not pay the full amount of loss otherwise payable under the terms of **Coverage A** and/or **Coverage B and C Combined** of this additional coverage. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of **Coverages A and/or Combined** of this endorsement.

Item #4.

2. Under this coverage, we will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.
3. Under this coverage, we will not pay for:
 - a. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus," wet or dry rot or bacteria; or
 - b. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants," "fungus," wet or dry rot or bacteria.
4. **Coverage A: Coverage for Loss to the Undamaged Portion of the Building**
 - a. If a Covered Cause of Loss occurs to covered building property at the premises described in the Declarations, we will pay for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.
 - b. **Coverage A** is included within the Limit of Insurance applicable to the covered building property at the premises described in the Declarations. **Coverage A** does not increase the Limit of Insurance.
 - c. Loss will be determined as follows:
 - (1) If the Replacement Cost Coverage Option applies and the property is repaired or replaced, on the same premises or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building property.
 - (2) If the Replacement Cost Coverage Option applies and the property is **not** repaired or replaced, or if the Replacement Cost Coverage Option does **not** apply, we will not pay more than the lesser of:
 - (a) The actual cash value of the building at the time of loss; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building property.
5. **Coverages B: Demolition Cost and C: Increased Cost of Construction (Combined)**

If a Covered Cause of Loss occurs to covered building property, we will pay up to 25 percent (25%) of the Limit of Insurance applicable to building property at the premises described in the Declarations, subject to a maximum limit of \$150,000, for the total of all covered losses (combined) for Demolition Cost and Increased Cost of Construction. Subject to these limits of coverage, the following conditions will apply:

a. Demolition Cost

- (1) With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.
- (2) The Coinsurance Additional Condition does not apply to Demolition Cost.
- (3) We will not pay more than the amount you actually spend to demolish and clear the site of the premises described in the Declarations.

b. Increased Cost of Construction

- (1) With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:
 - (a) Repair or reconstruct damaged portions of that building property; and/or
 - (b) Reconstruct or remodel undamaged portions of that building property, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (a) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

- (b) We will not pay for increased cost of construction if the building is not repaired, reconstructed or remodeled.

Item #4.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction.

- (2) When covered building property is damaged or destroyed by a Covered Cause of Loss and Increased Cost of Construction applies to that property in accordance with **b.(1)** above, coverage for the Increased Cost of Construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **b.(1)**:

- (a) The cost of excavations, grading, backfilling and filling;
- (b) Foundation of the building;
- (c) Pilings; and
- (d) Underground pipes, flues and drains.

The items listed in (2)(a) through (2)(d) above are deleted from Property Not Covered, but only with respect to the coverage described in this provision **5.b**.

- (3) Loss Payment will be determined as follows:

- (a) We will not pay:
 - (i) Until the property is actually repaired or replaced, at the same or another premises; and
 - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (b) If the building is repaired or replaced at the same premises, or you elect to rebuild at another premises, the most we will pay is the increased cost of construction at the same premises.

Q. Outdoor Signs

- 1. We will pay for direct physical loss of or damage to all Outdoor Signs at the premises described in the Declarations:
 - a. owned by you; or
 - b. owned by others but in your care, custody or control.
- 2. None of the exclusions in Section **B. Exclusions** of the **CAUSES OF LOSS – SPECIAL FORM** apply to Outdoor Signs provided under this coverage except:
 - a. **B.1.c. Governmental Action;**
 - b. **B.1.d. Nuclear Hazard;** and
 - c. **B.1.f. War and Military Action.**
- 3. We will not pay for loss or damage caused by or resulting from:
 - a. wear and tear;
 - b. hidden or latent defect;
 - c. rust;
 - d. corrosion; or
 - e. mechanical breakdown.

The most we will pay for loss of or damage in any one occurrence is \$10,000.

R. Recharging Of Fire Extinguishers

We will pay for expenses you incur for the recharging of Fire Extinguishers made necessary by the fighting of a fire at the premises described in the Declarations or adjacent to such property.

The most we will pay for any one occurrence is \$5,000.

S. Unauthorized Business Card Use

We will pay for the loss of "money" resulting from theft, forgery or unauthorized use of credit, debit or charge cards issued in the business name to you, your partners or officers, including:

- 1. Fund transfer cards;
- 2. Charge plates; and
- 3. Telephone cards.

The most we will pay under this Additional Coverage during each 12 month period of this policy (including any extension of less than one year), is \$5,000.

We will not pay for loss resulting from the use of any credit, debit or charge card if not customarily used in your business.

T. Forgery Or Alteration

- 1. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (a) Made or drawn by or drawn upon you; or
 - (b) Made or drawn by one acting as your agent;
- or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- 2. If you are sued for refusing to pay any instrument covered in Paragraph 1. above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense.
- 3. The most we will pay for any loss in any one "occurrence" including legal expenses is \$10,000.

U. Salespersons Samples

- 1. We will pay for loss of or damage to Covered Property from a Covered Cause of Loss to samples (including their containers) of your stock in trade that are:
 - (a) Owned by you; or
 - (b) The property of others for which you are legally liable.

But this coverage applies only while such property is:

 - (a) In the custody of your salespersons or authorized sales representatives;
 - (b) In your custody, if you are an individual, while you are acting as a salesperson; or
 - (c) In due course of transit to or from your premises and your salespersons or authorized sales representatives.
- 3. **Additional Exclusion Applicable to Salespersons Samples**
 We will not pay for loss as specified below:
 Theft from an unattended vehicle unless at the time of theft, its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.
- 4. The most we will pay under this coverage is \$2,500 in any one occurrence.

Inland Marine Coverages

The following coverages are added under **4. Additional Coverages** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**. The Additional Condition, Coinsurance, does not apply to these coverages.

A. Installation Coverage

1. Coverage

- a. We will pay for loss of or damage to the following property:
 - (1) Materials, supplies, equipment, machinery and fixtures owned by you or in your care, custody or control, and which are to be installed by you or at your direction; and
 - (2) Temporary structures built or assembled by you on site, including cribbing, scaffolding and construction forms.

This property is covered while:

 - (1) At any job site you do not own, lease or operate;
 - (2) Awaiting and during installation, or awaiting acceptance by the purchaser;
 - (3) At a "temporary storage location."

But property in transit is not covered except as provided under Property Extension – Property In Transit.
- b. This Additional Coverage does not apply to:
 - (1) An existing building or structure to which an addition, alteration, improvement or repair is being made;
 - (2) Property stored at a permanent warehouse or storage yard that you own;
 - (3) A plan, blueprint, design or specification; and
 - (4) Machinery, tools, equipment, supplies or similar property that will not become a permanent part of the project. This includes contractors equipment and other tools belonging to a contractor or sub-contractor.
- c. We will not pay for loss or damage caused by or resulting from any of the following:
 - (1) The cost to make good or replace faulty or defective materials or workmanship;
 - (2) Penalties for noncompletion or non-compliance with any contract terms or conditions;

- (3) Testing including stand-up performance, stress, pressure, overload testing of the covered property; Item #4.
- (4) A fault, defect, deficiency, error or omission in a plan, blueprint, design or specification; or
- (5) The weight of a load when it exceeds the designed capacity of any property covered under this Additional Coverage to lift, move or support the load from any position.

2. The following is added to **E.7. Valuation** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

- f. As respects your materials, supplies, machinery, fixtures and equipment and similar property of others in your care, custody or control which will become a permanent part of your installation, fabrication or erection project, the value of covered property may be valued as follows:

- (1) **Actual Cost to Repair, Replace or Rebuild.** The value of covered property will be based on the lesser of the following accounts:

(a) The actual cost to repair, replace or rebuild the covered property with materials of like kind and quality. The actual cost may include material, labor and reasonable overhead expenses; or

(b) The amount you actually spend to repair, replace or rebuild the covered property.

This valuation provision does not apply to Paragraphs (2) or (3) below.

- (2) **Pair or Set.** The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

- (3) **Loss to Parts.** The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

3. **Limit of Insurance**

The most we will pay for loss or damage to property covered under this Additional Coverage is \$10,000 per occurrence.

This is the most we will pay regardless of:

- a. The number of job sites you do not own, lease or operate; or
- b. "Temporary storage locations."

4. With respect to this coverage, **Installation Coverage**, Section **D. Deductible** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced by the following:

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500. We will then pay the amount of loss or damage in excess of \$500 up to the applicable limit of insurance.

5. Paragraph **e.** of **C.1. Limitations** of the **CAUSES OF LOSS – SPECIAL FORM** is replaced by the following:

- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

But, this limitation does not apply to covered property in the custody of a carrier for hire.

6. The following are added to **F. Additional Conditions** of the **BUILDING AND PERSONAL COVERAGE FORM**:

3. Carriers for Hire

You may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the actual cash value of the covered property.

4. Coverage provided under the Installation Coverage will end when one of the following first occurs:

- (1) This policy expires or is cancelled;
- (2) The property covered under this Additional Coverage is accepted by the purchaser;
- (3) Your interest in the property covered under this Additional Coverage ceases;
- (4) You abandon the project to be performed by you for the purchaser, with no intention to complete it;
- (5) 90 days after the project to be performed by you for the purchaser is completed, unless we specify a different date in writing.

B. Contractors Equipment Coverage

1. **Your "Small Tools" and "Small Tools" Owned by Your Employees**

We will pay for your "small tools" and "small tools" owned by your employees. The most we will pay is as follows:

Limit for Your "Small Tools": \$5,000. (maximum limit per item \$1,000)

Limit for "Small Tools" Owned by Your Employees: \$1,000. (maximum limit per item \$250)

Leased and Rented Equipment

We will pay for contractors' equipment that is leased or rented from others to you. Contractors' equipment, machinery, equipment, and tools of a mobile nature that you use in your contracting, installation, erection, operations or projects. The most we will pay for property leased or rented from others is \$5,000.

Item #4.

- a. Coverage applies only to covered property while:
 - (1) At the described premises;
 - (2) On a "client's" premises; or
 - (3) In transit directly between the described premises and a "client's" premises and while in a motor vehicle owned, leased or operated by the named insured.
- b. The coverage provided by this Additional Coverage applies only to loss caused by or resulting from the following causes of loss and only if they are Covered Causes of Loss:
 - (1) Fire;
 - (2) Lightning;
 - (3) Explosion;
 - (4) Aircraft;
 - (5) Vandalism and malicious mischief; or
 - (6) Theft.
- c. The following is added to **A.2. Property Not Covered** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:
 - r. Property while stored or operated underground in connection with any mining operations.
- d. The following is added to Paragraph 2. of **B. Exclusions** of the **CAUSES OF LOSS - SPECIAL FORM**:
 - n. We will not pay for loss or damage caused by puncture, blowout and road damage to tires and tubes mounted on vehicles. However, we do pay for puncture, blowout or road damage caused by a specified peril.
 - o. We will not pay for loss caused by humidity, dampness, dryness or changes in or extremes of temperature.
 - p. We will not pay for loss caused by the weight of a load which, under the operating conditions at the time of a loss, exceeds the registered lifting capacity of any equipment or machine.
 - q. We will not pay for loss due to theft or mysterious disappearance from any vehicle or attached container. We will pay for loss due to burglary when there are signs of forcible entry to a locked vehicle or container.
- e. **E.7. Valuation** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced by the following:
 - 7. Valuation**

We will determine the value of covered property in the event of loss or damage as follows:

 - a. At actual cash value at the time of the loss (with a deduction for depreciation) except as provided in Paragraphs **b.** and **c.** following.
 - b. **Pair or Set.** The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
 - c. **Loss to Parts.** The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

2. Rental Reimbursement

In the event of loss by a covered peril to covered contractors' equipment that you own, we will reimburse you for your expense to rent similar equipment while your equipment is inoperable. The most we will reimburse you for rental reimbursement expenses is \$1,000. We will continue to reimburse you for the rental of equipment after the expiration date of this coverage provided the loss occurred before the expiration date.

We will not reimburse you:

- a. If you can continue or resume your operations with similar equipment that is available to you at no additional expense to you; or
 - b. For the rental expense of any equipment unless you make every reasonable effort to repair, replace or rebuild the inoperable equipment after the covered loss occurs.
3. With respect to this Additional Coverage, **Contractors Equipment Coverage**, Section **D. Deductible** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced by the following:

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500. We will then pay the amount of loss or damage in excess of \$500 up to the applicable limit of insurance.

We will not reimburse you for the rental of equipment until after 72 hours have passed since the covered was rendered inoperable. After 72 hours have passed, we will only reimburse you for the rental exp you actually incur.

Item #4.

The deductible of \$500 does not apply to rental reimbursement expenses.

General Liability Additional Coverages

The following Additional Coverages are added to the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**.

A. Blanket Additional Insured Coverage

1. **SECTION II – WHO IS AN INSURED** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** is amended to include as an insured any person or organization (referred to as Additional Insured) whom you are required to add as an Additional Insured on this policy under:
 - a. A written contract or agreement; and
 - b. Where a certificate of insurance showing that person or organization as an additional insured has been issued; and
 - c. When the written contract or agreement and certificate of insurance are currently in effect or becoming in effect during the term of the policy and executed prior to the "bodily injury," "property damage," or "personal and advertising injury."
2. The insurance provided to the Additional Insured is limited as follows:
 - a. The Additional Insured is only an additional insured for:
 - (1) "Bodily injury," "property damage," or "personal and advertising injury" caused in whole or in part by negligent acts or omissions of the Named Insured or anyone directly or indirectly employed by the Named Insured or for whose acts a Named Insured may be liable.
 - (2) Liability arising out of your ongoing operations for the Additional Insured by or for you. A person's or organization's status as an insured under this coverage ends when your operations for that insured are completed.
 - b. The Limits of Insurance applicable to the Additional Insured are those specified in the written contract or agreement but not more than the Limits of Insurance specified in the Declarations for this policy. The Limits of Insurance applicable to the Additional Insured are inclusive of and not in addition to the Limits of Insurance shown in the Declarations for the Named Insured.
3. In addition to the other exclusions applicable to **Section I, Coverages A., B. and C.** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**, the insurance provided to the Additional Insured does not apply to:
 - a. "Property damage" to:
 - (1) Property owned, used, occupied by, loaned or rented to the Additional Insured;
 - (2) Property in the care, custody or control of the Additional Insured or over which the Additional Insured are for any purpose exercising physical control; or
 - (3) "Your work" performed for the Additional Insured.
 - b. "Bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's or surveyor's rendering or failure to render any professional services for you, for the Additional Insured or for others, including, but not limited to:
 - (1) The preparing, approving or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Supervisory, inspection or engineering services.
 - c. "Bodily injury" or "property damage" occurring after:
 - (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured at the site of the covered operations has been completed; or
 - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
4. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. **Other Insurance**, is amended to add the following subparagraph:
 - d. **Additional Insured's Other Insurance As Excess Insurance**

To the extent required by an "insured contract," this insurance is primary on behalf of the Additional Insured. Any other insurance maintained by the Additional Insured is excess and not contributory with this insurance. If the "insured contract" does not require this provision, then Paragraph a. above will apply.

Item #4.

B. Mobile Equipment Broadened Coverage

V.12.f.(1) of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** is replaced by the following:

(1) Equipment designed primarily for:

- (a) Snow Removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning.

Except the above provisions do not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight which are not intended for use on a highway.

C. Aggregate Limit Per Project

The General Aggregate Limit under **SECTION III – LIMITS OF INSURANCE** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** applies separately to each of your projects away from premises owned by or rented to you.

D. Blanket Waiver Of Transfer Of Rights Of Recovery Against Others To Us

The **Transfer Of Rights Of Recovery Against Others To Us** Condition (**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**) is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization to whom you by written contract or written agreement have waived your own right or recovery for loss caused by that person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract or written agreement with that person or organization and included in the "products-completed operations hazard."

This provision does not apply unless the written contract or written agreement has been executed prior to the "occurrence" or offense giving rise to the "bodily injury" or "property damage."

E. Voluntary Property Damage Coverage

1. We will, at your request, pay but not defend any claim for "property damage" to the property of others otherwise excluded under **A.2.j.(4), (5) and (6)** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** provided that:

- a. Such "property damage" takes place while such property is in your care, custody or control, or is property of others over which you, for any purpose, are exercising or have exercised physical control; and
- b. Such "property damage" takes place away from any premises you own, rent or lease; and
- c. Such "property damage" takes place within the "coverage territory" and during the policy term; and
- d. Such "property damage" takes place only during your operations that are known to us, are scheduled on the policy and for which a premium has been charged.

2. The insurance under this additional coverage does not apply to "property damage" to property:

- a. Held by you for servicing, repair, storage or sale at premises owned by, rented or leased to you;
- b. While being transported by or caused by the ownership, maintenance, operation, use, "loading or unloading" of any "auto," watercraft or aircraft; or
- c. Owned or occupied by or rented to you.

3. Deductible

This additional coverage will apply only to that amount of any loss in each "occurrence" that exceeds \$500.

The terms of the policy with respect to your duties in the event of "occurrence," claim or "suit" and the Company's right to investigate, negotiate and settle any claim or "suit" apply irrespective of the application of the deductible amount of \$500.

We may pay any part or all of the deductible amount of \$500 to effect settlement of any claim or "suit." Upon notification of the action taken, you must promptly reimburse us for such part of the deductible amount as has been paid by us.

4. Limits of Liability

The Limit of Liability for this additional coverage shall not exceed \$2,500 for each "occurrence" and is the limit of the Company's liability for all damages on account of each claim or "suit" covered herein. The annual aggregate Limit of Liability is \$2,500 and is, subject to the above provisions respecting each claim, the total limit of the Company's liability for all damages.

5. Settlement

In the event of loss covered by this additional coverage, you shall, if requested by us, replace the property the labor and materials necessary for repairs thereto at actual cost to you, excluding prospective profit or charges of any nature. Any property so paid for or replaced shall, at our option, become the property of the Company. Payment hereunder shall not constitute an admission of liability of you or, except as stated herein, of the Company.

Item #4.

Additional Conditions

A. Insurance Under Two Or More Coverages

The following is added to Paragraph **C. Insurance under Two or More Coverages** of the **COMMERCIAL PROPERTY CONDITIONS**:

If a Coverage Form is attached to this policy that provides a limit for any coverage provided by this endorsement; the limit shown in the **SCHEDULE** and the coverage provided by this endorsement are deleted and replaced by the limit and coverage provided by the Coverage Form.

B. Limits Of Insurance

Regardless of the number of buildings at a location covered by this endorsement, the most we will pay under this Coverage Enhancement endorsement in any one occurrence is the applicable Limits of Insurance shown in the **SCHEDULE** on page 1 of this endorsement.

C. Deductibles

The Deductible described in section **D.** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** applies to each of the Coverage Enhancements except as shown below:

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500. We will then pay the amount of loss or damage in excess of \$500 up to the applicable Limit of Insurance for the following enhancements:

1. Personal Effects and Property of Others
2. Valuable Papers and Records (Other than Electronic Data)
3. Property Off-Premises (Including Laptops and Other Electronic Equipment)
4. Outdoor Property (Named Perils)
5. Accounts Receivable
6. Property in Transit (Including Laptops and Other Electronic Equipment)
7. Fine Arts
8. Electronic Data
9. Water Back-Up and Sump Overflow
10. Employee Theft
11. Money and Securities
12. Forgery or Alteration

No deductible provisions apply to the following enhancements:

1. Fire Department Service Charge
2. Arson Reward
3. Claims Expenses
4. Inventory or Appraisal Cost
5. Recharging of Fire Extinguishers
6. Rental Reimbursement

D. Additional Definitions

The following **Additional Definitions** apply to this endorsement only:

1. **"Banking Premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. **"Business Income"** means the:
 - a. Net income (Net Profit or Loss before income taxes) that would have been earned had no loss occurred; and
 - b. Continuing normal operating expenses incurred, including payroll.For manufacturing risks, Net Income includes the net sales value of production.
3. **"Client"** as used in **Employee Theft** Coverage means any entity for whom you perform services under a written agreement.

4. **"Client"** as used in **Contractors Equipment** Coverage means an individual, company or organization with which you have a written contract or work order for your services for a described premises and have billed for your services.
5. **"Dishonest"** means a willful perversion of truth in order to deceive, cheat, or defraud.
6. **"Employee"** as used in **Employee Theft** and **Money And Securities** Coverages means:
- "Employee"** means:
 - Any natural person:
 - While in your service or for 30 days after termination of service;
 - Who you compensate directly by salary, wages or commissions; and
 - Who you have the right to direct and control while performing services for you;
 - Any natural person who is furnished temporarily to you:
 - To substitute for a permanent **"employee"** as defined in Paragraph (1) above, who is on leave; or
 - To meet seasonal or short-term work load conditions;
 - while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the **"premises"**;
 - Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (2) above;
 - Any natural person who is your director or trustee while that person is handling **"money"** or **"securities."**
 - Any natural person who is a former **"employee,"** director, partner, member (an owner of a limited liability company represented by its membership interest, who also may serve as a manager), manager (a person serving in a directorial capacity for a limited liability company), representative or trustee retained as a consultant while performing services for you; or
 - Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of **"money"** or **"securities"** outside the **"premises."**
 - "Employee"** does not mean:
 - Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - Any manager (a person serving in a directorial capacity for a limited liability company), director or trustee except while performing acts coming within the scope of the usual duties of an "employee."
7. **"Extra Expense"** means necessary expenses you incur during the **"period of restoration"** that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss. Coverage pertains to expenses (other than the expense to repair or replace property) which are incurred to
- Avoid or minimize the **"suspension"** of business and to continue **"operations"** at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
 - Minimize the **"suspension"** of business if you cannot continue **"operations."**
8. **"Fine Arts"** means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, and similar property of rarity, historical value or artistic merit.
9. **"Finished Stock"** means stock you have manufactured. Finished stock also includes whiskey and alcoholic products being aged.
10. **"Forgery"** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
11. **"Loss"** as used in the **Accounts Receivable** Extension means accidental loss or damage.
12. **"Manager"** as used in **Employee Theft** Coverage means a person serving in a directorial capacity for a limited liability company.
13. **"Messenger"** means you, any of your partners or any employee while having care and custody of the property outside the **"premises."**
14. **"Money"** means:
- Currency, coins and bank notes whether or not in current use; and
 - Travelers checks, register checks and money orders held for sale to the public.
15. **"Occurrence"** as used in the **Money And Securities** Coverage means an act or series of related acts involving one or more persons; or an act or event, or a series of related acts or events not involving any person.
16. **"Occurrence"** as used in the **Forgery Or Alteration** Coverage means all loss caused by any person or in which that

person is involved, whether the loss involves one or more instruments.

17. **"Operations"** as used in the **Business Income Including Extra Expense** and **Business Income From Dependent Properties** Coverages **"Extra Expense"** Definition means your business activities occurring at the address shown in the Declaration that you occupy for your business.
 18. **"Period of Restoration"** means the period of time that:
 - a. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period required due to the enforcement of any ordinance of law that:

 - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **"pollutants."**
 19. **"Pollutants"** as used in the **Business Income From Dependent Properties** Coverage and the **"Period of Restoration"** Definition means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
 20. **"Premises"** as used in the **Money And Securities** Coverage and **"Employee"** and **"Messenger"** Definitions means the interior of that portion of any building you occupy in conducting your business.
 21. **"Premises"** as used in the **Accounts Receivable** Extension means that interior of the building at the address shown in the Declarations that you occupy for your business.
 22. **"Rental Value"** means the:
 - a. Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, and
 - b. Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations, and
 - c. Fair rental value of any portion of the described premises which is occupied by you.
 23. **"Securities"** means negotiable and non-negotiable instruments or contracts representing either **"money"** or other property and include:
 - a. Tokens, tickets, revenue and other stamps whether or not in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which are not of your own issue but does not include **"money."**
 24. **"Small Tools"** means any tool which can be moved easily by one person without mechanical assistance and/or can be hand held for the purpose of doing labor.
 25. **"Suspension"** means the slowdown or cessation of your business activities.
 26. **"Temporary Storage Location"** means a location where property that is to become a permanent part of a completed project is stored while waiting to be delivered to the job site:
 - a. That you do not own, lease or operate; and
 - b. Where work is in progress, or will begin in 30 days.
 27. **"Theft"** as used in the **Employee Theft** and **Money And Securities** Coverages means the unlawful taking of **"money"** or **"securities"** to the deprivation of the insured.
- All Other Conditions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTO ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. SECTION II – COVERED AUTO LIABILITY COVERAGE

The following amendments refer to Paragraph **SECTION II – LIABILITY COVERAGE, A.1. Who Is An Insured**, is amended by the addition of the following:

1. Broadened Named Insured

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, and there is no other similar insurance available to that organization. However, insurance provided by this provision:

- a. Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Does not apply to "bodily injury" or "property damage" resulting from an "accident" that occurred before you acquired or formed the organization;
- c. Does not apply to an insured under any other automobile liability policy, or would be an insured under such a policy but for the exhaustion of such policy's limits of insurance or the termination of such policy; and
- d. No newly acquired or formed organization is an insured with respect to any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

2. Employee Hired Auto

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

Under **SECTION IV – BUSINESS AUTO CONDITIONS, B.5., Other Insurance, Paragraph b.** is deleted and replaced with the following:

- b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:
 - 1) Any covered "auto" you lease, hire, rent or borrow; and
 - 2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

If Employee Hired Autos Coverage Form CA 20 54 is attached to this policy, then the Employee Hired Autos coverage described above does not apply.

3. Employees as Insured

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

If Employees as Insured CA 99 33 is attached to this policy, then the Employees as Insured coverage described above does not apply.

4. Partners or Members as Insured

Definition includes as an "insured" a partner (if you are a partnership) or a member (if you are a limited liability company) while using a covered "auto" owned by him or her or a member of his or her household in your business affair.

If Partners or Members as Insureds CA 05 25 is attached to this policy, then the Partners or Members as Insureds coverage described above does not apply.

5. Blanket Additional Insured

Any person or organization with respect to the operation, maintenance, or use, of a covered "auto" that you are required to include as additional insured on the Coverage Form in a written agreement or written "insured contract" that is signed and executed by you before the "bodily injury" or "property damage" occurs. However, such person or organization is an insured:

- a. Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written agreement or written "insured contract";
- b. Is in effect during the policy period; and
- c. Only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

Under **SECTION II – LIABILITY COVERAGE, A.2., Coverage Extensions, a. Supplementary Payments**, Paragraphs **a.(2)** and **a.(4)** are deleted and replaced by the following:

6. Supplementary Payments

- a. Up to \$5,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- b. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

B. SECTION III – PHYSICAL DAMAGE COVERAGE

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A.4., Coverage Extensions, a. Transportation Expenses** is deleted in its entirety and replaced with the following:

1. Transportation Expenses

We will pay up to \$50 per day, to a maximum of \$1,500, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the Policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions**, the last paragraph under **b. Loss Of Use Expenses** is replaced as follows

2. Loss of Use Expenses

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$1,950.

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A.4., Coverage Extensions**, the following is added:

3. Theft Expense

If Comprehensive Coverage is purchased on a covered "auto", and that covered "auto" is stolen, we will pay the expense of returning that stolen auto to you. The limit for this coverage extension is \$2,500.

4. Rental Agency Expense

We will pay the following expenses that you or any of your "employees" are legally obligated to pay because of a written contract or written agreement entered into for use of a rental vehicle in the conduct of your business:

Maximum amount we will pay for any one written contract or written agreement:

- a. \$2,500 for loss of income incurred by the rental agency during the period of time that vehicle is out of use due as a result of actual damage to, or "loss" of, that vehicle, including income lost due to absence of that vehicle for use as a replacement;
- b. \$2,500 for decrease in trade-in value of the rental vehicle because of actual damage to that vehicle arising out of a covered "loss"; and

- c. \$2,500 for administrative expenses incurred by the rental agency, as stated in the written contract or written agreement.
- d. Maximum total amount payable under Paragraphs a., b. and c. combined is \$7,500.

5. Hired Auto Physical Damage

If hired "autos" are covered "autos" for Liability Coverage, and if Comprehensive, Specified Causes Of Loss, or Collision Coverage as provided under this Coverage Part, then coverage is extended to "autos" you hire without a driver, subject to the following:

- a. The most we will pay for "loss" to any hired "auto" is \$50,000 or the actual cash value or cost to repair or replace, whichever is less, minus a deductible.
- b. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.

Coverage provided by this extension applies only to "autos" you hire of the private passenger type or light truck (gross vehicles weight 10,000 pounds or less) type vehicles.

If a limit for Hired Auto – Physical Damage is shown in the Declarations, then that limit replaces, and is not added to, the \$50,000 limit indicated above.

6. Personal Effects

We will pay up to \$500 for "loss" to personal effects which are owned by an "insured"; and in or on your covered "auto."

This coverage applies only in the event of the total theft of your covered "auto." No deductible applies to this coverage. For the purposes of this provision, "personal effects" mean tangible property that is worn or carried by an insured. "Personal effects" does not include tools, equipment, jewelry, money or securities.

7. Vehicle Vinyl Wrap

We will pay up to \$1,000 per occurrence in any 12 months in the case of a total loss for vinyl vehicle wraps displayed on the vehicle at the time of loss.

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, B. Exclusions**, Paragraph **3.a.** is replaced as follows:

8. Airbag Coverage

Wear and tear, freezing, mechanical or electrical breakdown. However, mechanical or electrical breakdown does not apply to the unintended discharge of an airbag. Any loss covered under this provision is excess over any other collectible insurance or warranty.

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, D., Deductible**, the following is added:

9. Glass Repair – Waiver of Deductible

If Comprehensive Coverage or Specified Causes Of Loss Coverage is purchased on a covered "auto", no deductible shown in the Declaration applies to the cost of repairing damaged safety glass on the covered "auto(s)".

10. Parked Auto Collision Coverage – Waiver of Deductible

The deductible does not apply to "loss" caused by collision to such covered "auto" of the private passenger type or light weight truck with a gross vehicle weight of 10,000 lbs. or less as defined by the manufacturer as maximum loaded weight the "auto" is designed to carry while it is:

- a. In the charge of an "insured";
- b. Legally parked; and
- c. Unoccupied.

The "loss" must be reported to the police authorities within 24 hours of known damage.

The total amount of the damage to the covered "auto" must exceed the deductible shown in the Declarations.

This provision does not apply to any "loss" if the covered "auto" is in the charge of any person or organization engaged in the automobile business.

11. Physical Damage Deductible – Vehicle Tracking System

Any Comprehensive Deductible shown in the Declarations will be reduced by 50% for any "loss" caused by theft if the vehicle is equipped with a vehicle tracking device such as a radio tracking device or a global position device and that device was the method of recovery of the vehicle.

C. DEATH BENEFIT

1. We will pay a supplementary death benefit equal to \$10,000 per person because of death caused by an "auto" "accident" and sustained by an "insured". We will pay the benefit if death from an "auto" "accident" occurs within three years of the date of such "accident".
2. The "beneficiary" must furnish us with proof of death of the "insured", accompanied by a police report or other suitable proof.
3. Any amounts payable under the supplementary death benefit shall not be reduced by any other amounts paid or payable under this policy.
4. "Beneficiary" means (in order of priority of payment):
 - a. The surviving spouse if a resident in the same household as the deceased at the time of the "accident"; or
 - b. If the deceased is an unmarried minor, either of the surviving parents who had legal custody at the time of the "accident"; or
 - c. The estate of the deceased

D. SECTION IV – BUSINESS AUTO CONDITIONS

Under **SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, Paragraph 2. Concealment, Misrepresentation Or Fraud**, is amended by the addition of the following:

1. Unintentional Failure To Disclose Hazards

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

Under **SECTION IV – BUSINESS AUTO CONDITIONS, A.2. Duties In The Event Of Accident, Claim, Suit Or Loss**, Paragraph 2.a., is deleted and replaced with the following:

2. Duties In The Event Of Accident, Claim, Suit Or Loss

In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss" after it becomes known to:

- a. You, if you are an individual;
- b. A partner or member, if you are a partnership or joint venture;
- c. A member or manager, if you are a limited liability company; or
- d. An executive officer or insurance manager if you are an organization other than a partnership, joint venture or limited liability company.

Notice should include the following:

- a. How, when and where the "accident" or "loss" occurred;
- b. The "insured's" name and address; and
- c. To the extent possible, the names and addresses of any injured persons and witnesses. Your "employees" may know of an "accident", claim, "suit" or "loss". This will not mean that you have such knowledge of an "accident", claim, "suit" or "loss".

COMMERCIAL CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F. Definitions.

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition E.1.k. or E.1.l., which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition E.1.g.:

1. Employee Theft

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

2. Forgery Or Alteration

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

(1) Made or drawn by or drawn upon you; or

(2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

b. If you are sued for refusing to pay any instrument covered in Paragraph 2.a., on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

3. Inside The Premises – Theft Of Money And Securities

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

(1) Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises"; or

(2) Resulting directly from disappearance or destruction.

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.

4. Inside The Premises – Robbery Or Safe Burglary Of Other Property

a. We will pay for loss of or damage to "other property":

(1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or

(2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II – Who Is An Insured** is amended to include as an insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability arising out of your ongoing operations performed for that insured. A person's or organization's status as an insured under this endorsement ends when your operations for that insured are completed.
- B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:
- 2. Exclusions**
- This insurance does not apply to:
- a.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - (1)** The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
 - (2)** Supervisory, inspection, architectural or engineering activities.
 - b.** "Bodily injury" or "property damage" occurring after:
 - (1)** All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
 - (2)** That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – COMPLETED OPERATIONS – INCLUDING PRIMARY/NON-CONTRIBUTORY AND WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II – Who Is An Insured** is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured for completed operations. Such person or organization is an additional insured only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" performed for that additional insured and included in the "products-completed operations hazard."
- B.** With respect to the insurance afforded to these additional insureds, the following limitations apply:
1. This additional insured status is granted only at the locations listed in the written contract.
 2. Coverage is limited to "your work" that is described in the classifications or schedule of hazards shown in the General Liability Declarations of this policy.
- C.** With respect to the insurance afforded to these additional insureds, the following exclusion applies:
- This insurance does not apply to:
- "Bodily injury" or "property damage" which occurs prior to the execution of the written contract or the effective date of this endorsement.
- D. PRIMARY AND NON-CONTRIBUTORY**
- The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:
- Primary And Noncontributory Insurance**
- This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:
- (1) The additional insured is a Named Insured under such other insurance; and
 - (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.
- E. WAIVER OF SUBROGATION**
- The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions**:
- We waive any right of recovery against an additional insured under your policy because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to an additional insured under your policy.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations. All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FELLOW EMPLOYEE COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The **Fellow Employee** Exclusion contained under the **Covered Autos Liability Coverage** does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

- B.** The following is added to the **Other Insurance** Condition in the Auto Dealers Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage and General Liability Coverages are primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION) –
AUTOMATIC WHEN REQUIRED BY WRITTEN
CONTRACT OR AGREEMENT**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply to any person(s) or organization(s) for whom you are required to waive subrogation with respect to the coverage provided under this Coverage Form, but only to the extent that subrogation is waived:

- A. Under a written contract or agreement with such person(s) or organization(s); and
- B. Prior to the "accident" or the "loss."

Oregon Workers' Compensation Certificate of Insurance

Certificate holder:

CITY OF ST. HELENS
265 STRAND STREET
ST. HELENS, OR 97051

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by this policy is subject to all the terms, exclusions and conditions of such policy; this policy is subject to change or cancellation at any time.

Insured		Producer/contact	
Advantage Jc Excavating, LLC 33623 Bennett Rd Warren, Or 97053-9765		Atlas Business & Employee Svcs Tom Hayashi 503.522.8037 tom@atlasbes.com	
Issued	03/11/2025	Limits of liability	
Policy	890871	Bodily Injury by Accident	
Period	02/01/2025 to 02/01/2026	\$1,000,000 each accident	
		Bodily Injury by Disease	
		\$1,000,000 each employee	
		Body Injury by Disease	
		\$1,000,000 policy limit	

Description of operations/locations/special items

Site Clean-up

Important

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above. This certificate does not constitute a contract between the issuing insurer, authorized representative or producer and the certificate holder.

Authorized representative



Chip Terhune
President and CEO

ATTACHMENT C Terms of Compensation

Labor: \$65.00 per hour per person

Equipment: Machine \$160.00 per hour
 Dump Truck \$135.00 per hour

The City will also pay any dumping/disposal costs or equipment rental associated with the clean-ups, as long as a receipt for these items is included in your billing.

The City **will not** cover costs such as:

- Broken tool replacement
- Expendables such as gas, oil, garbage bags, gloves, etc.

Billing should be broken down by date of clean-up and property address.

City of St. Helens

PERSONAL SERVICES AGREEMENT

This PERSONAL SERVICES AGREEMENT (this “Agreement”) is made and entered into by and between the **City of St. Helens** (the “City”), an Oregon municipal corporation, and **Oregon Patrol Service** (“Contractor”).

RECITALS

- A.** The City is in need of personal services for bailiff services, and Contractor represents that it is qualified and prepared to provide such services.
- B.** The purpose of this Agreement is to establish the services to be provided by Contractor and the compensation and terms for such services.

AGREEMENT

1. Engagement. The City hereby engages Contractor to provide services (“Services”) related to bailiff services and Contractor accepts such engagement. The principal contact for Contractor shall be **Laurie Sutherby**, phone **(503) 387-3776**.

2. Scope of Work. The duties and responsibilities of Contractor, including a schedule of performance, shall be as described in Attachment A attached hereto and incorporated herein by reference.

3. Term. Subject to the termination provisions of Section 10 of this Agreement, this Agreement shall commence once executed by both parties and shall terminate on **December 31, 2027**. The City reserves the exclusive right to extend the contract for a period of two (2) years in one (1) year increments. Such extensions shall be in writing with terms acceptable to both parties. Any increase in compensation for the extended term shall be as agreed to by the parties but shall not exceed five percent (5%) of the then-current fees.

4. Compensation. The terms of compensation for the initial term shall be as provided in Attachment C.

5. Payment.

5.1 The City agrees to pay Contractor for and in consideration of the faithful performance of the Services, and Contractor agrees to accept from the City as and for compensation for the faithful performance of the Services, the fees outlined in Attachment C, except that the hourly fee shall include all local travel, local telephone expense, computer expense, and routine document copying. Reimbursable expenses shall be billed at cost without markup and shall include travel and related expenses in compliance with the City’s travel and

expense policy, reproduction of documents or reports with prior written approval, and long-distance telephone expenses. Contractor's cost for approved sub-consultants may be marked up a maximum of five percent (5%) by Contractor for management and handling expenses.

5.2 Contractor shall make and keep reasonable records of work performed pursuant to this Agreement and shall provide detailed monthly billings to the City. Following approval by the City Administrator, billings shall be paid in full within thirty (30) days of receipt thereof. The City shall notify Contractor of any disputed amount within fifteen (15) days from receipt of the invoice, give reasons for the objection, and promptly pay the undisputed amount. Disputed amounts may be withheld without penalty or interest pending resolution of the dispute.

5.3 The City may suspend or withhold payments if Contractor fails to comply with any requirement of this Agreement.

5.4 Contractor is engaged by the City as an independent contractor in accordance with the standards prescribed in ORS 670.600. Contractor shall not be entitled to any benefits that are provided by the City to City employees.

5.5 Any provision of this Agreement that is held by a court to create an obligation that violates the debt limitation provision of Article XI, Section 9 of the Oregon Constitution shall be void. The City's obligation to make payments under this Agreement is conditioned upon appropriation of funds pursuant to ORS 294.305 through 294.565.

6. Document Ownership. Contractor shall retain all common law, statutory and other reserved rights, including copyrights, in all work products, including, but not limited to, documents, drawings, papers, computer programs and photographs, performed or produced by Contractor for the benefit of the City under this Agreement, except that all copies of such plans, designs, calculations and other documents and renditions provided to City shall become the property of City who may use them without Contractor's further permission for any lawful purpose related to the project. Upon execution of this agreement, Contractor grants to City an irrevocable, nonexclusive license to use Contractor's work products created through its services for the project. The license granted under this section permits City to authorize its contractors, subcontractors of any tier, consultants, subconsultants of any tier, and material or equipment suppliers, to reproduce applicable portions of the work products in performing services for the project. Any unauthorized use of Contractor's work product for purposes unrelated to the project shall be at City's sole risk and without liability to Contractor.

7. Notices. All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

CITY: City of St. Helens
Attn: City Administrator
265 Strand Street
St. Helens OR 97051

CONTRACTOR: Oregon Patrol Service
Attn: Laurie Sutherby
4120 SE International Way
Milwaukie, OR 97222

When so addressed, such notices, bills and payments shall be deemed given upon deposit in the United States mail, postage-prepaid.

8. Standard of Care. Contractor shall comply with the applicable professional standard of care in the performance of the Services. Contractor shall prepare materials and deliverables in accordance with generally accepted standards of professional practice for the intended use of the project.

9. Insurance.

9.1 At all times during the term of this Agreement, Contractor shall carry, maintain and keep in full force and effect a policy or policies of insurance as specified in Attachment B attached hereto and incorporated herein by reference.

9.2 All insurance policies shall provide that the insurance coverage shall not be canceled or reduced by the insurance carrier without thirty (30) days' prior written notice to the City. Contractor agrees that it will not cancel or reduce said insurance coverage without the written permission of City.

9.3 Contractor agrees that if it does not keep the aforesaid insurance in full force and effect, the City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, the City may take out the necessary insurance and pay, at Contractor's expense, the premium thereon. If the City procures such insurance, the City may charge the cost against any moneys due Contractor hereunder or for any other contract.

9.4 At all times during the term of this Agreement, Contractor shall maintain on file with the City a Certificate of Insurance or a copy of actual policies acceptable to the City showing that the aforesaid policies are in effect in the required coverages. The policies shall contain an endorsement naming the City, its council members, officers, employees and agents, as additional insureds (except for the professional liability and workers' compensation insurance).

9.5 The insurance provided by Contractor shall be primary to any coverage available to the City. The insurance policies (other than workers' compensation) shall include

provisions for waiver of subrogation. Contractor shall be responsible for any deductible amounts outlined in such policies.

10. Termination.

10.1 Termination for Cause. City may terminate this Agreement effective upon delivery of written notice to Contractor under any of the following conditions:

10.1.1 If City funding from federal, state, local, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of service. This Agreement may be modified to accommodate a reduction in funding.

10.1.2 If Federal or State regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this Agreement.

10.1.3 If any license or certificate required by law or regulation to be held by Contractor, its subcontractors, agents, and employees to provide the services required by this Agreement is for any reason denied, suspended, revoked, or not renewed.

10.1.4 If Contractor becomes insolvent, if a voluntary or an involuntary petition in bankruptcy is filed by or against Contractor, if a receiver or trustee is appointed for Contractor, or if there is an assignment for the benefit of creditors of Contractor.

10.1.5 If Contractor is in breach of this Agreement, and such breach is not remedied as contemplated by Section 10.2 of the Agreement.

10.2 Breach of Agreement

10.2.1 Contractor shall remedy any breach of this Agreement within the shortest reasonable time after Contractor first has actual notice of the breach or City notifies Contractor of the breach, whichever is earlier. If Contractor fails to remedy a breach within three (3) working days of its actual notice or receipt of written notice from the City, City may terminate that part of the Agreement affected by the breach upon written notice to Contractor, may obtain substitute services in a reasonable manner, and may recover from Contractor the amount by which the price for those substitute services exceeds the price for the same services under this Agreement.

10.2.2 If the breach is material and Contractor fails to remedy the breach within three (3) working days of receipt of written notice from the City, City may declare Contractor in default, terminate this Agreement and pursue any remedy available for a default.

10.2.3 Pending a decision to terminate all or part of this Agreement, City unilaterally may order Contractor to suspend all or part of the services under this Agreement. If City terminates all or part of the Agreement pursuant to this Section 10.2, Contractor shall be

entitled to compensation only for services rendered prior to the date of termination, but not for any services rendered after City ordered suspension of those services. If City suspends certain services under this Agreement and later orders Contractor to resume those services after determining Contractor was not at fault, Contractor shall be entitled to reasonable damages actually incurred, if any, as a result of the suspension.

10.2.4 In the event of termination of this Agreement due to the fault of the Contractor, City may immediately cease payment to Contractor, and when the breach is remedied, City may recover from Contractor the amount by which the price for those substitute services exceeds the price for the same services under this Agreement, along with any additional amounts for loss and damage caused to the City by the breach, and withhold such amounts from amounts owed by City to Contractor. If the amount due Contractor is insufficient to cover City's damages due to the breach, Contractor shall tender the balance to City upon demand.

10.3 Termination for Convenience. City may terminate all or part of this Agreement at any time for its own convenience by providing three (3) days written notice to Contractor. Upon termination under this paragraph, Contractor shall be entitled to compensation for all services properly rendered prior to the termination, including Contractor's and sub consultants reasonable costs actually incurred in closing out the Agreement. In no instance shall Contractor be entitled to overhead or profit on work not performed.

11. No Third-Party Rights. This Agreement shall not create any rights in or inure to the benefit of any parties other than the City and Contractor.

12. Modification. Any modification of the provisions of this Agreement shall be set forth in writing and signed by the parties.

13. Waiver. A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach. All waivers shall be done in writing.

14. Indemnification.

14.1 Liability of Contractor for Claims Other Than Professional Liability. For claims for other than professional liability, Contractor shall defend, save and hold harmless City, its officers, agents and employees from all damages, demands, claims, suits, or actions of whatsoever nature, including intentional acts, resulting from or arising out of the activities or omissions of Contractor, its subcontractors, sub-consultants, agents or employees under this Agreement. A claim for other than professional responsibility is a claim made against the City in which the City's alleged liability results from an act or omission by Contractor unrelated to the quality of professional services provided by Contractor.

14.2 Liability of Contractor for Claims for Professional Liability. For claims for professional liability, Contractor shall save, and hold harmless City, its officers, agents and employees, from all claims, suits, or actions arising out of the professional negligent acts, errors or omissions of Contractor, its subcontractors, sub-consultants, agents or employees in the performance of professional services under this Agreement. A claim for professional

responsibility is a claim made against the City in which the City's alleged liability results directly from the quality of the professional services provided by Contractor, regardless of the type of claim made against the City.

14.3 Contractor and the officers, employees, agents and subcontractors of Contractor are not agents of the City, as those terms are used in ORS 30.265.

15. Governing Laws. This Agreement shall be governed by the laws of the State of Oregon.

16. Compliance with Law.

16.1 Contractor shall comply with all applicable federal, state and local statutes, ordinances, administrative rules, regulations and other legal requirements in performance of this Agreement.

16.2 Contractor shall pay promptly, as due, all persons supplying labor or materials for the prosecution of the services provided for in the Agreement and shall be responsible for such payment of all persons supplying such labor or material to any subcontractor.

16.3 Contractor shall promptly pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of the Agreement.

16.4 Contractor shall not permit any lien or claim to be filed or prosecuted against the City or its property on account of any labor or material furnished and agrees to assume responsibility for satisfaction of any such lien or claim so filed or prosecuted.

16.5 Contractor and any subcontractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.617.

16.6 If Contractor fails, neglects or refuses to make prompt payment of any claim for labor or materials furnished to the Contractor or a subcontractor by any person in connection with the Agreement as such claim becomes due, the City may pay such claim to the persons furnishing the labor or material and charge the amount of payment against funds due or to become due Contractor by reason of the Agreement. The payment of a claim in the manner authorized hereby shall not relieve the Contractor from his/her or its obligation with respect to any unpaid claim. If the City is unable to determine the validity of any claim for labor or material furnished, the City may withhold from any current payment due Contractor an amount equal to said claim until its validity is determined and the claim, if valid, is paid.

16.7 Contractor shall promptly, as due, make payment to any person, copartnership, association, or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to employees of such Contractor, of all sums which the Contractor agrees to pay for such services and all monies and sums which

the Contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.

16.8 No person may be employed for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires it, and in such cases the employee shall be paid at least time and a half pay:

16.8.1 Either:

16.8.1.1 For all overtime in excess of eight hours in any one day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or

16.8.1.2 For all overtime in excess of 10 hours in any one day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and

16.8.2 For all work performed on Saturday and on any legal holiday specified in ORS 279C.540;

16.8.3 Contractor shall pay employees for overtime work performed under the Agreement in accordance with ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 USC 201, et seq.).

16.9 The Contractor must give notice to employees who work on this Agreement in writing, either at the time of hire or before commencement of work on the Agreement, or by posting a notice in a location frequented by employees, of the number of hours per day and the days per week that the employees may be required to work.

16.10 All subject employers working under the Contractor are either employers that will comply with ORS 656.017, or employers that are exempt under ORS 656.126.

16.11 All sums due the State Unemployment Compensation Fund from the Contractor or any subcontractor in connection with the performance of the Agreement shall be promptly so paid.

16.12 Contractor certifies compliance with all applicable Oregon tax laws, in accordance with ORS 305.385.

16.13 Contractor certifies that it has not and will not discriminate against a subcontractor in awarding a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055. Without limiting the foregoing, Contractor expressly agrees to comply with: (i) Title VI of the Civil Rights Act of 1964; (ii) Section V of the Rehabilitation Act of 1973; (iii) the Americans

with Disabilities Act of 1990, (iv) ORS 659.425, (v) all regulations and administrative rules established pursuant to those laws; and (vi) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

16.14 The Contractor represents and warrants that Contractor (i) is not currently an employee of the federal government or the State of Oregon, and (ii) meets the specific independent contractor standards of ORS 670.600.

16.15 If Contractor is a foreign contractor as defined in ORS 279A.120, Contractor shall comply with that section and the City must satisfy itself that the requirements of ORS 279A.120 have been complied with by Contractor before City issues final payment under this agreement.

16.16 If this Contract exceeds \$50,000, is not otherwise exempt, and includes work subject to prevailing wage, Contractor shall comply with ORS 279C.838, ORS 279C.840, and federal law.

16.17 Contractor shall not provide or offer to provide any appreciable pecuniary or material benefit to any officer or employee of City in connection with this Agreement in violation of ORS chapter 244.

16.18 Contractor shall ensure that any lawn and landscape maintenance, if applicable, shall contain a condition requiring the contractor to salvage, recycle, compost or mulch yard waste material at an approved site, if feasible and cost-effective.

16.19 Contractor is a “subject employer,” as defined in ORS 656.005, and shall comply with ORS 656.017.

16.20 Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender, age, national origin, physical or mental disability, or disabled veteran or veteran status in violation of state or federal laws.

16.21 Contractor certifies that it currently has a City business license or will obtain one prior to delivering services under this Agreement.

16.22 Any other condition or clause required by law to be in this Agreement shall be considered included by this reference.

17. Confidentiality. Contractor shall maintain the confidentiality, both external and internal, of that confidential information to which it is exposed by reason of this Agreement. Contractor warrants that its employees assigned to this Agreement shall maintain necessary confidentiality.

18. Publicity. Contractor shall not use any data, pictures, or other representations of the City in its external advertising, marketing programs, or other promotional efforts except with prior specific written authorization from the City.

19. Succession. This Agreement shall inure to the benefit of and shall be binding upon each of the parties hereto and such parties' partners, successors, executors, administrators and assigns.

20. Assignment. This Agreement shall not be assigned by Contractor without the express written consent of the City. Contractor shall not assign Contractor's interest in this Agreement or enter into subcontracts for any part of the Services without the prior written consent of the City.

21. Mediation/Dispute Resolution

21.1 Should any dispute arise between the parties to this Agreement it is agreed that such dispute will be submitted to a mediator prior to any arbitration or litigation, and the parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and, only in the event said mediation efforts fail, through litigation or binding arbitration. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in the City of St. Helens, unless both parties agree in writing otherwise. If arbitration is selected by the parties, the parties shall exercise good faith efforts to select an arbitrator who shall be compensated equally by both parties. Venue for any arbitration shall be the City of St. Helens. Venue for any litigation shall be the Circuit Court for Columbia County.

22. Attorney Fees. If legal action is commenced in connection with this Agreement, the prevailing party in such action shall be entitled to recover its reasonable attorney fees, expert fees and costs incurred therein at arbitration, trial and on appeal.

23. Records, Inspection and Audit by the City.

23.1 Contractor shall retain all books, documents, papers, and records that are directly pertinent to this Agreement for at least three years after City makes final payment on this Agreement and all other pending matters are closed.

23.2 Services provided by Contractor and Contractor's performance data, financial records, and other similar documents and records of Contractor that pertain, or may pertain, to the Services under this Agreement shall be open for inspection by the City or its agents at any reasonable time during business hours. Upon request, copies of records or documents shall be provided to the City free of charge.

23.3 The City shall have the right to inspect and audit Contractor's financial records pertaining to the Services under this Agreement at any time during the term of this Agreement or within three (3) years after City makes final payment on this Agreement and all other pending matters are closed.

23.4 This Section 23 is not intended to limit the right of the City to make inspections or audits as provided by law or administrative rule.

24. Force Majeure. Neither City nor Contractor shall be considered in default because of any delays in completion and responsibilities hereunder due to causes beyond the control and without fault or negligence on the part of the parties so disenabled, including but not restricted to, an act of God or of a public enemy, civil unrest, volcano, earthquake, fire, flood, epidemic, quarantine restriction, area-wide strike, freight embargo, unusually severe weather or delay of subcontractor or supplies due to such cause; provided that the parties so disenabled shall within ten days from the beginning of such delay, notify the other party in writing of the cause of delay and its probable extent. Such notification shall not be the basis for a claim for additional compensation. Each party shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon cessation of the cause, diligently pursue performance of its obligation under the Agreement.

25. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the Services described herein.

26. Severance. If any provision of this Agreement is held to be invalid, it will not affect the validity of any other provision. This Agreement will be construed as if the invalid provision had never been included.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed by its duly authorized undersigned agent, and Contractor has executed this Agreement on the date written below.

CITY:**CITY OF ST. HELENS**

Council Meeting Date: _____

Signature: _____

Print: _____

Title: _____

Date: _____

CONTRACTOR:**OREGON PATROL SERVICE**

Signature: _____

Print: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____

City Attorney

ATTACHMENT A
Scope of Work including Terms of Compensation

See attached.



Agreement for Security Services

Prepared for:

John Walsh
Asst. City Administrator

On behalf of

City of St. Helens



265 Stand Street
St. Helens, OR 97051

Respectfully Submitted by:

Laurie Sutherby
CEO, Director of Business Operations

Oregon Patrol Service
County Patrol Service OR, LLC.

12/1/2025



AGREEMENT FOR SECURITY SERVICES

This Agreement for *Professional Security Services* (the "Agreement"), entered January 1, 2026 is by and between County Patrol Service Oregon, LLC, dba **OREGON PATROL SERVICE**, a domestic limited liability company, licensed by the Secretary of State of Oregon, Corporation Division, as a **Security Guards & Patrol Services Provider**, with its principal office at 4120 SE International Way, Ste. A-110, Milwaukie, OR 97222 (hereinafter "OREGON PATROL SERVICE," "Contractor" or "OPS"), and **City of St. Helens, Oregon** (hereinafter "Client") - located at 265 Strand St., St. Helens, OR 97051.

1 SERVICES

1.a General Services to Client: OREGON PATROL SERVICE shall provide the following service to the Client:

The protection of life and property of the Client within the established area(s) specified as the City of St. Helens Municipal Court, as specified by and at the direction of St. Helens Chief of Police Brian Greenway and Judge Amy Lindgren.

1.b Overview of services provided is as follows:

- Provide Armed Bailiff/Court Security Services to the Municipal & Traffic court for deterrence of crimes against the Client.
- Protect Municipal Court judiciary, court staff, and citizens, as applicable.
- Maintain courtroom order, efficiency, and propriety.
- Place into custody, those individuals designated by the Municipal Court Judge.
- Contact and/or liaise with St. Helens Police Department, as necessary and appropriate.
- Additional responsibilities, integral to the court process, as determined by Municipal Court staff.

Nothing shall be construed to suggest that OREGON PATROL SERVICE, its employees, agents, or security patrol officers are compelled, required, contracted, or willing to protect the life or property of persons not specifically listed in this agreement.

2 PAYMENT, SERVICE COST & INVOICING:

2.1 PAYMENT OF SERVICE: Municipal Court

A. OREGON PATROL SERVICE will invoice the Client monthly, as agreed by the Client and OREGON PATROL SERVICE.

B. OREGON PATROL SERVICE will be paid as follows: The Client shall, upon receiving an invoice, make payments in the agreed amount and manner by check, payable to OREGON PATROL SERVICE. Such payment shall be made monthly, unless otherwise specified.

C. Service Retainer: No Service Retainer is required for extension of Service Agreement.

2.2 RATES & CALCULATION OF CHARGES:

Hourly charges shall apply to each court session, as specified below at a minimum of 8 hrs/session. If the court session exceeds the scheduled service length, additional time for the session will be calculated at regular hourly rate. No overtime charges apply, and overtime, if applicable is the responsibility of OREGON PATROL SERVICE.

Training will take place to set in place a consistent team for the city or to replace officers within the team. All training costs for training officers will be billed at the regular hourly rate.

2026-2027 Costs

Service – January 1, 2026 – December 31, 2027

Municipal Court- Full day (0900-1700 approx.) Every Thursday

**Rates are calculated for one (1) Court Services Officer per session.*

2026 - \$46.00/hr

2027 - \$48.00/hr

- 2.3 INVOICING & LATE PAYMENT POLICY** Client will be invoiced monthly on or before the first of the month with payment due by the 25th day of the month for the **prior service month shown on the invoice**. If Client account has an unpaid invoice and no effort to remedy has been made, the client will be notified, and OREGON PATROL SERVICE may opt to suspend or discontinue service. Non-payment of any invoice does not release the Client from any amount due at the time of termination. Payments received between the 25th and the last calendar day of the month are considered in a “grace period” and on time. **Payments received after the first of the month are considered late and are subject to a late payment. Late payments may result in service interruption.**

3

TERMS AND CONDITIONS

- 3.1 COMMENCEMENT OF SERVICE** - The term of this Contract is twenty-four (24) months, commencing on January 1, 2026, and, unless earlier terminated as hereinafter provided, shall renew and/or extended for an additional 2 years, effective January 1, 2028. This contract period guarantees the rate and scope of service commitments through the duration of this contract for the Client. An Addendum will be submitted on the anniversary date providing annual rate increase and noting service year for extended contract period beyond 2027. Any service changes will initiate an updated Service Agreement with specific adjustments that differ from this current Agreement and new terms, if necessary.

- 3.2 TERMINATION OF SERVICE** - The term of this Contract may be ended early, as follows:

- (a) By either party, at any time, upon thirty (30) day's prior written notice, if for cause, where “for cause” shall mean any reason that the terminating party considers valid in its sole and absolute discretion, provided that the terminating party is not acting in bad faith. However, notwithstanding the foregoing, if OPS elects to terminate this Contract under this provision as a result of Client's failure to pay sums due OPS hereunder, OPS shall have the right to reinstate this Contract by curing such default within three (3) business days of its receipt of Client's payment.
- (b) By Client upon thirty (30) day's prior written notice, if as a result of the sale or any other transfer of the Property.
- (c) By either party upon thirty (30) days' prior written notice, for any reason or no reason. Upon any such termination as aforesaid, all unaccrued rights, duties and obligations of the parties hereto shall terminate as of the termination date specified in the notice, and Contractor shall remove any and all of its equipment from the Property and shall thereafter have no right to enter upon the Property without the prior written permission of Client. Contractor will be paid for its services up to the date of termination.

4

CHANGES

Client may request changes/modifications to duties, within the general scope of Security Services, so long as such requests ("Change Order") are in writing. Some changes may be considered “additional work” (i.e. patrol frequency) and outside the agreed upon initial scope of work agreed to herein and if accepted, may result in additional costs to the Client. Client acknowledges that such changes could affect the monthly cost of service to a new rate determined at the time of the change request for the period such change is requested.

5

STANDARD OF CARE

OREGON PATROL SERVICE warrants that its services shall be performed by personnel possessing competency consistent with applicable industry standards, who are both certified by the Department of Public Safety Standards & Training, State of Oregon.

6 MISCELLANEOUS

- 6.1** Independent Contractor: OREGON PATROL SERVICE is an independent contractor/vendor of Client.
- 6.2** Force Majeure: OREGON PATROL SERVICE shall not be responsible for delays or failures if such delay arises out of causes reasonably beyond its control. Such causes may include, but are not restricted to, acts of God, public enemy, fires, floods, epidemics, riots, quarantine restrictions, strikes, freight embargoes, electrical outages, computer and/or communications failures, third party public telecommunications hardware, severe weather, and acts or omissions of subcontractors or third parties.
- 6.3** Subcontractors. Nothing in this Contract shall create any contractual relationship between OPS and any subcontractor. Except as specifically authorized herein, the Services to be provided under this Contract shall not be otherwise assigned, transferred, contracted or subcontracted out without the prior written approval of Client.
- 6.4** Indemnification: **OREGON PATROL SERVICE** must indemnify, hold harmless, and defend the Client, and its authorized agents (collectively, "**Indemnified Parties**") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, including professional fees and attorneys' fees, that are incurred by an Indemnified Party arising out of or relating to any claim alleging; any bodily injury, death, or damage to real or tangible personal property caused by the negligent (or more culpable) acts or omissions of OREGON PATROL SERVICE or its personnel. **Client** must indemnify, hold harmless, and defend OREGON PATROL SERVICE, its managers, directors, owners, agents, and private security officers against loss or damages resulting from enforcement and/or execution of Client requested, guided, or implied direction and in executing security services consistent with accepted industry standards, while performing duties on behalf of the Client.
- 6.5** Insurance: Insurance shall be maintained by Oregon Patrol Service with the following limits:
- A. For Comprehensive General Liability Insurance, Contractor shall provide a Certificate of Insurance naming the Client as an additional named insured showing policy limits of not less than \$1,000,000 Combined Single Limit for Bodily Injury/Property Damage on an occurrence basis.
- B. For Automobile Insurance, Contractor shall provide a Certificate of Insurance showing policy limits of not less than \$1,000,000 Combined Single Limit for Bodily Injury/Property Damage on an occurrence basis for any vehicle used for Client services or use otherwise related to this Agreement.
- C. For Professional Liability—errors and omissions—a \$2,000,000 Combined Single Limit for Bodily Injury/Property Damage limit. For purposes of professional liability, Contractor shall provide proof of a Certificate of Insurance.
- For Worker's Compensation, Contractor shall provide a Certificate of Insurance showing Worker's Compensation Insurance with statutory limits of coverage.
- Procuring of such required insurance at the above-stated levels shall not be construed to limit the Contractor's liability hereunder. The coverage provided by insurance required under this Agreement shall be primary, and any other insurance carried by Client shall be excess.
- 6.6** Confidential Information Contractor acknowledges that it and its employees, officers, directors or agents (collectively, "Contractor Staff") may, in the course of performing the Services under this Contract, be exposed to or acquire information that is confidential to Client or Client's clients. Any and all information of any form (including but not limited to records, files, papers, materials, documents, and communications in written, verbal, oral and electronic form) that Contractor or any Contractor Staff may come into contact with or that is obtained by Contractor or Contractor Staff in the performance of this Contract shall be considered for the purposes of this Contract the confidential information of Client ("Confidential Information"). Contractor shall and shall cause Contractor Staff to treat any reports or other documents or items (including software) that result from the use of the Confidential Information in the same manner as the Confidential Information. Confidential Information does not include information that (i) is or becomes (other than by disclosure by Contractor or Contractor Staff acquiring such information) publicly known or is contained in a publicly available document except to the extent applicable law still restricts disclosure; (ii) is furnished by Client to others without restrictions similar to those imposed by this Contract; (iii) is rightfully in Contractor's possession

without the obligation of nondisclosure prior to the time of its disclosure under this Contract; (iv) is obtained from a source other than Client without the obligation of confidentiality, (v) is disclosed with the written consent of Client, or; (vi) is independently developed by Contractor or Contractor Staff who can be shown to have had no access to the Confidential Information.

7

PERFORMANCE SPECIFICATIONS

Contractor must comply with the following requirements for all of Contractor's personnel delivering Services ("Security Officers"):

- 7.1** Contractor must ensure that its staff meets or exceeds the standard of employment, physical qualifications, physical agility tests, national agency background checks, training, and certification requirements as specified in this statement of work.
- 7.2.** Security Officers must be licensed and certified by the State of Oregon's Department of Public Safety, Standards and Training (DPSST) for Unarmed and/or Armed security duties.
- 7.3.** Security Officers must meet the following minimum requirements:
 - A. Be in good physical condition and able to defend against personal attack or assist others in same situation. Security Officers must be able to handle themselves if an altercation occurs during the Patrol.
 - B. Possess personal qualities of good conduct and character, integrity, dependability, and good mental and physical fitness.
 - C. Not have been convicted of domestic violence and not have a felony conviction, Class A misdemeanor conviction or conviction of any crime involving dishonesty, as verified by the state certification process
 - D. Not be subject to a requirement to register or be registered as a sex offender.
 - E. Possess a valid driver's license or State ID coinciding with scope of service provided for Client.
 - F. Be able to work outside in inclement weather.
 - G. Not report for duty while under the influence of alcohol or legal/illegal drugs that would impair their ability to perform their job. Not consume alcohol or legal/illegal drugs that would impair their ability to perform their job.
 - H. Present a neat professional appearance with a courteous attitude.
- 7.4.** Rules of Force: Security Officers must use DPSST guidelines for rules of force, utilizing the minimum degree of force necessary to handle situations that may require force.
- 7.5.** Security Guard Uniforms
 - A. Security Officers must wear clean, appropriate uniforms. The primary purpose of the uniform is for identification, neatness and to project a professional and identifiable image. The uniforms must include but are not limited to: trousers, shirt, jacket and headgear i.e. baseball cap, patrol, inclement weather stocking cap or hat with company logo.
 - B. The uniform must include a badge, a patch displaying the name of the Contractor, and a name tag for the individual personnel which must be displayed prominently on the outer garment at all times.
 - C. Contractor shall provide all uniform clothing for use, as appropriate for each Site, during all types of inclement weather, such as rain, sleet, snow, and extreme heat or cold, meeting the requirements stated above.

IN WITNESS WHEREOF, the parties below have executed this Agreement, consisting of four pages as of the day and year below:

City of St. Helens, Oregon

By: _____

John Walsh

Asst. City Administrator
December 1, 2025

OREGONPATROLSERVICE

By: _____

Laurie M. Sutherby

CEO & Director of Business Operations
December 1, 2025



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ATTACHMENT B INSURANCE REQUIREMENTS

Contractor and its subcontractors shall maintain insurance acceptable to the City in full force and effect throughout the term of this Contract. It is agreed that any insurance maintained by the City shall apply in excess of, and not contribute toward, insurance provided by Contractor. The policy or policies of insurance maintained by Contractor and its subcontractors shall provide at least the following limits and coverage:

TYPE OF INSURANCE	LIMITS OF LIABILITY		REQUIRED FOR THIS CONTRACT
General Liability	Each occurrence General Aggregate Products/Comp Ops Aggregate Personal and Advertising Injury	\$1,000,000 \$2,000,000 \$2,000,000 \$1,000,000 w/umbrella or \$1,500,000 w/o umbrella	YES
Please indicate if Claims Made or Occurrence			
Automobile Liability	Combined Single – covering any vehicle used on City business	\$2,000,000	YES
Workers' Compensation	Per Oregon State Statutes If workers compensation is not applicable please initial here _____. State the reason it is not applicable: _____		YES
Professional Liability	Per occurrence Annual Aggregate	\$500,000 or per contract \$500,000 or per contract	NO

Contractor's general liability and automobile liability insurance must be evidenced by certificates from the insurers. The policies shall name the City, its officers, agents and employees, as additional insureds and shall provide the City with a thirty (30)-day notice of cancellation.

Workers' compensation insurance must be evidenced by a certificate from the insurer. The certificate need not name the City as an additional insured, but must list the City as a certificate holder and provide a thirty (30)-day notice of cancellation to the City.

Professional liability insurance must be evidenced by a certificate from the insurer. The certificate need not name the City as an additional insured.

Certificates of Insurance shall be forwarded to:

City Administrator
City of St. Helens
265 Strand Street
St. Helens, OR 97051

Contractor agrees to deposit with the City, at the time the executed Contract is returned, Certificates of Insurance and Binders of Insurance if the policy is new or has expired, sufficient to satisfy the City that the insurance provisions of this Agreement have been complied with and to keep such insurance in effect and the certificates and/or binders thereof on deposit with the City during the entire term of this Agreement. Such certificates and/or binders must be delivered prior to commencement of the Services.

The procuring of such required insurance shall not be construed to limit Contractor's liability hereunder. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury or loss caused by negligence or neglect connected with this Agreement.

**CITY of ST. HELENS
and
COLUMBIA ECONOMIC TEAM**

JOINT MEMORANDUM of UNDERSTANDING

This Memorandum of Understanding (hereinafter referred to as MOU), entered into this _____ day of _____, 2025, by and between the **City of St. Helens**, an Oregon municipal corporation (hereinafter referred to as the **City**), and the **Columbia Economic Team**, a 501(c)(6) non-profit corporation (hereinafter referred to as **CET**), for the purpose of defining the relationship and responsibilities of the parties as they pertain to the implementation of the Growing Rural Oregon Initiative (hereinafter referred to as GRO).

RECITALS

WHEREAS, the City of St. Helens, has been selected by the Ford Family Foundation for inclusion in its Growing Rural Oregon (GRO) initiative that is developing entrepreneurial ecosystems in rural communities throughout the state, and

WHEREAS, after selection and invitation to apply, Ford Family Foundation has awarded the City an initial \$100,000 grant and two subsequent \$100,000 grants for program and small business entrepreneurial ecosystem development, renewable for a period of three years with possibility of two year extension, and

WHEREAS, the City has assembled a robust working group of local individuals, organizational, private and public stakeholders to cultivate this opportunity, and

WHEREAS, Columbia Economic Team (CET), its Small Business Development Center (SBDC), and other staff are engaged in the St. Helens GRO initiative, and

WHEREAS, small business advising, facilitation, marketing, promotion, and support are core competencies and the focus of CET, and

WHEREAS, the ongoing work of business resource building by CET is closely aligned with the GRO Program framework and plan execution, and

WHEREAS, it is in the best interests of the St. Helens community and the greater Columbia County community to achieve optimal alignment of efforts in entrepreneurial ecosystem development and Columbia Economic Team has essential support infrastructure in place, and

WHEREAS, the City of St. Helens has determined that the GRO Program can be optimized by integrating the program under the CET umbrella,

NOW, THEREFORE, based on the mutual covenants set forth in this MOU, the parties agree to the following terms and conditions:

Section 1. Term, Duration, and Termination.

This MOU shall be in effect from the date of signing until December 31, 2028 unless written notification by either party is presented to the other party on or before September 30, of intent to terminate this MOU effective on December 31 of the year of said termination notice. Failure to adhere to the duties and responsibilities outlined in Section 2. A. may result in the termination of this MOU. If either party terminates this MOU, effective as of the date of termination, any agreed upon financial obligations shall no longer incur, provided that all undisputed obligations incurred to the time of the notice have been remedied pursuant to the terms of this MOU.

Section 2. Duties and Responsibilities.

A. CET shall:

1. Maintain their status as a 501(c)(6) organization with a mission to, "promote the creation, retention, growth and attraction of business and industry throughout our county."
2. Efficiently manage the administrative and financial functions of the greater St. Helens GRO initiative, recovering appropriate administrative overhead costs in an amount not to exceed 10% of the full grant amount.
3. Contract and maintain an Entrepreneur Navigator, responsible for implementation of the GRO initiative in greater St. Helens.
4. Provide support and supervision of the Entrepreneur Navigator for GRO Greater St. Helens.
5. Make recommendations to City regarding specific GRO activities and projects as part of its annual reporting process and ongoing planning efforts.
6. Continue meaningful participation and engagement on the greater St. Helens GRO eLeadership Team.
7. Maintain, and make available to the City, all appropriate records, electronic and otherwise, on behalf of GRO greater St. Helens.
8. Maintain monthly activity updates, quarterly contract reporting, and annual financial reconciliation for reporting to the City and Grantor.
9. Adhere to the terms and conditions of the Ford Family Foundation Grant Agreement, year 1 agreement dated October 28, 2022 and all subsequent grant agreements related to the initiative.

B. City shall:

1. Continue meaningful participation and engagement on the greater St. Helens GRO eLeadership Team.
2. Serve as the primary contact for grant administration and reporting, maintaining stewardship of resources related to the GRO initiative and adhering to the terms and conditions of the Ford Family Foundation Grant Agreement, year 1 agreement dated

October 28, 2022 and all subsequent grant agreements related to the initiative.

3. Transfer the full funding amount of the Year 1 Grant (\$100,000) and subsequent Yearly grants as received from the Ford Family Foundation prospectively to CET for implementation of the greater St. Helens GRO initiative as they are made available under the terms of the grant agreement(s).
4. Designate a staff person to serve in the role of Team Co-Lead. Key responsibilities include convening the group, guiding action planning, recruiting members to provide leadership for key activities.
5. Provide space, coordination and technology as needed or requested for team meetings.
6. Partner in promoting the events and activities of the greater St. Helens GRO initiative.
7. Support and coordinate with CET on annual reporting to the Grantor for the purposes of obtaining Year 2, Year 3 and any potential additional funding.

Section 3. Indemnification.

To the maximum extent permitted by law, the parties shall hold and save each other, their officers, agents, and employees, harmless and shall defend and indemnify each other from any claims, damages, losses, and expenses, including attorney fees, which arise out of the action or inaction of the parties, their agents, officials or employees in the performance of this Memorandum of Agreement.

Section 4. Amendments and Assignments.

All amendments to this MOU which are mutually agreed upon by and between the parties to this MOU shall be in writing and executed with the same formalities of this MOU. This MOU is binding on the heirs, successors and assigns of the parties hereto but shall not be assigned by either party without first obtaining the written consent of the other. This MOU encompasses the entire agreement of the parties and supersedes all previous understandings and agreements between the parties. The parties hereby acknowledge and represent that said parties have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this MOU, made by or on behalf of any other party, person or entity whatsoever, prior to the execution of this MOU.

Section 5. SEVERABILITY.

The provisions of this MOU are severable; if any Section, subsection, sentence or clause shall be found by a court of competent jurisdiction to be invalid, unconstitutional, or is clearly and specifically preempted by Federal or State laws, the remaining Sections, subsections, sentences, or clauses shall remain in full force and effect, unless the effect of such invalidity, unconstitutionality or preemption effects a material alteration in the benefit of a party's bargain contained herein. Should any provision be declared invalid or unconstitutional or be preempted, the parties shall enter into negotiations within ten (10) days of final judgment or

effective date of the law regarding any such matter and make a good faith effort to reform or replace such provision or part thereof with a valid and enforceable provision that comes as close as possible to providing the parties the benefit of its bargain as originally expressed herein.

CITY OF ST. HELENS

COLUMBIA ECONOMIC TEAM

John Walsh
City Administrator

Paul Vogel
Executive Director

**MUTUAL AGREEMENT TO EXTEND
INTERGOVERNMENTAL AGREEMENT
between City of St. Helens and St. Helens School District No. 502
for Mutual Use of Facilities**

RECITALS

WHEREAS, the City of St. Helens ("City") and the St. Helens School District No. 502 ("District") entered into an Intergovernmental Agreement ("Agreement") on June 14, 2023, where the principal objective of the Agreement was to reasonably share in the cost of providing access and service to each party's properties; and

WHEREAS, Section 15 of the Agreement provides for a termination date of December 31, 2025, unless the governing bodies of both City and District extend, amend, or modify the terms of the Agreement before that time in writing; and

WHEREAS, both parties mutually agree to extend the Agreement until such time as the District is able to meet and approve a new Intergovernmental Agreement, presumably January 14, 2026.

AGREEMENT

NOW, THEREFORE, the parties mutually agree as follows:

1. The termination date of the Agreement signed on or about June 14, 2023, shall be amended to reflect a **termination date of January 15, 2026**, unless earlier terminated according to the terms of the Agreement.
2. All other terms and conditions of the Agreement, as previously amended, shall remain in full force and effect other than as specifically amended herein.

CITY:

DISTRICT:

CITY OF ST. HELENS

ST. HELENS SCHOOL DISTRICT NO. 502

By: _____
Name: _____
Its: _____

By: Koreen Barreras-Brown
Name: Dr. Koreen Barreras-Brown
Its: Superintendent



MEMORANDUM

To: Mayor and City Council

From: John Walsh, City Administrator

Date: December 17, 2025

Subject: AFFF Nationwide Class Action Settlement, Contingent Fee Agreement

Background: In September 2023, a nationwide class action products liability lawsuit was settled against Defendants 3M and Dupont and public water systems related to firefighting foam products (known as “aqueous film forming foam” or “AFFF”) containing perfluoroalkyl substances (“PFAS”) (including perfluorooctanoic acid (PFOA/C8), perfluorooctane sulfonate (PFOS), and any other related compounds). A \$13.1 billion settlement fund was created. The purpose of the fund is to compensate public water systems for the increased compliance costs related to new Environmental Protection Act (EPA) regulation as a result of AFFF chemicals manufactured by 3M and Dupont.

Oregon cities that have public water systems may be eligible under the original settlement to submit a claim and seek recovery under the class action settlement.

Recommendation: Baron Budd, P.C., an Environmental Law firm, is Plaintiff’s Counsel for the class action lawsuit, that brought about the \$13.1 billion settlement. Baron Budd is also highly experienced at helping municipalities submit claims and receive successful recovery under the class action settlement. Baron Budd proposes to represent the City on a contingent fee basis of 25% of the Net Recovery of any amount recovered by the City, after payment of costs, and with no out-of-pocket costs to the City. If there is no recovery, the City will not be required to reimburse the attorneys for costs and fees. In the event a recovery is less than the incurred costs and expenses, the City will not be required to reimburse attorneys for costs/expenses, above and beyond the recovery, and fees.

As an out of state law firm, Baron Budd, P.C. requires local counsel to represent an Oregon client. The City contracts with Jordan Ramis, P.C. for City Attorney services, which does not handle cases on a contingent fee basis. Wigod Law Office, who is serving as the City Attorney for the City of St. Helens under contract with Jordan Ramis, P.C., is able to represent the City in that capacity.

It is recommended to retain Barron Budd and Wigod Law to pursue recovery in the class action settlement claim process.

Recommended Motion: I move to approve the attached contingent fee agreement with Baron Budd and Wigod Law Office.

LEGAL SERVICES AGREEMENT

1. **IDENTIFICATION OF PARTIES.** This Agreement is made between City of St. Helens (“Client”) and the law firms of Baron & Budd, P.C., Cossich, Sumich, Parsiola & Taylor LLC and Wigod Law Firm (collectively referred to as “Attorneys”).
2. **RETENTION OF FIRM RATHER THAN PARTICULAR ATTORNEY.** By signing this Agreement, Client retains the law firms. Attorney services will be provided to Client by the firms and will not necessarily be performed by any particular attorney.
3. **AUTHORIZED REPRESENTATIVE OF CLIENT.** Client designates

as the authorized representative to direct Attorneys and to be the primary individual to communicate with Attorneys regarding the subject matter of Attorneys’ representation of Client under this Agreement. This designation is intended to establish a clear line of authority and to minimize potential uncertainty, but not to preclude communication between Attorneys and other representatives of Client.
4. **SCOPE AND DUTIES.** Attorneys will provide legal services to Client with respect to damages, compensation, and other relief to which Client may be entitled as a result of an Action to be filed by Attorneys on behalf of Client against the manufacturer(s) of firefighting foam products (known as “aqueous film forming foam” or “AFFF”) containing perfluoroalkyl substances (“PFAS”) (including perfluorooctanoic acid (PFOA/C8), perfluorooctane sulfonate (PFOS), and any other related compounds) that contaminate Client’s public water system and/or fire training center. Client hires Attorneys to provide legal services in connection with pursuing claims against all those responsible for damages Client suffered or will suffer. Attorneys shall provide those legal services reasonably required to represent Client and shall take reasonable steps to keep Client informed of progress and to respond to Client’s inquiries. Client shall be truthful with Attorneys, cooperate with Attorneys, and keep Attorneys informed of all factual developments. Attorneys will assist in negotiating liens but will not litigate them.
5. **LEGAL SERVICES SPECIFICALLY EXCLUDED.** Unless otherwise agreed in writing by Client and Attorneys, Attorneys will not provide legal services with respect to (a) defending any legal proceeding or claim against the Client commenced by any person unless such proceeding or claim is filed against the Client in the Action or (b) proceedings before any federal or state administrative or governmental agency, department, or board including, but not limited to, the United States Environmental Protection Agency. With Client’s permission, however, Attorneys may elect to appear at such administrative proceedings to protect Client’s rights. If Client wishes to retain Attorneys to provide any legal services not provided under this Agreement for additional compensation, a separate written agreement between Attorneys and Client will be required.
6. **JOINT RESPONSIBILITY.** Baron & Budd, P.C., Cossich, Sumich, Parsiola & Taylor LLC and Wigod Law Office assume joint legal responsibility to Client for the representation described in this Agreement, and all agree to be available for consultation with the client. Client approves of and consents to the participation of all firms in the representation.

7. **ATTORNEYS' FEES.** Client and Attorneys have agreed that Client will pay Attorneys a contingent fee for representing Client in this matter. The fee is not set by law but is negotiable between Attorneys and Client. Attorneys and Client agree that the contingent fee will be calculated as described below.

A. Calculation of Contingent Fee

Attorneys will receive a contingency fee of twenty-five percent (25%) of the gross recovery (as defined below).

The contingent fee is to be calculated based on Client's gross recovery before deduction of costs and expenses (as defined below). The contingent fee is calculated by multiplying the gross recovery by the applicable fee percentage

B. Definitions

"Costs" and "Expenses" include, but are not limited to, the following: process servers' fees, court reporters' fees, document management costs, messenger and other delivery fees, parking, investigation expenses, consultants' fees, expert witness fees, fees fixed by law or assessed by courts or other agencies, and other similar items, incurred by Attorneys in the course of representing Client.

"Document Management Costs" are the costs associated with collecting, copying, and storing documents relevant to the Action as discussed in paragraph 8, below. These costs include processing and hosting charges, hardware, software, and any other resources necessary to manage documents.

"Gross recovery" means the total recovery, whether obtained by settlement, arbitration award, court judgment following trial or appeal, or otherwise. "Gross recovery" shall include, without limitation, the following: (1) the then-present value of any monetary payments to be made to Client; and (2) the fair market value of any non-monetary property and services to be transferred and/or rendered for the benefit of Client; and (3) any attorney's fees recovered by Client as part of any cause of action that provides a basis for such an award. "Gross recovery" may come from any source, including, but not limited to, the adverse parties to the Action and/or their insurance carriers and/or any third party, whether or not a party to the Action.

Any court order establishing a fee award in Client's case controls the fee percentage that will be charged to Client. This includes orders entered in a specific case, in an MDL, or in a class action. Where a common benefit fee or class fee reduces the contractual fee percentage, the reduced fee percentage is divided pro rata among contracting Attorneys as set out in Paragraph 10.

If Client and Attorneys disagree as to the fair market value of any non-monetary property or services as described above, Attorneys and Client agree that a binding appraisal will be conducted to determine this value.

It is possible that payment to the Client by the adverse parties to the Action or their insurance carrier(s) or any third-party may be deferred, as in the case of an annuity, a structured settlement, or

periodic payments. In such event, gross recovery will consist of the initial lump sum payment plus the present value (as of the time of the settlement) of the total of all payments to be received thereafter. The contingent fee is calculated, as described above, by multiplying the net recovery by the fee percentage. The Attorneys' fees will be paid out of the initial lump-sum payment if there are sufficient funds to satisfy the Attorneys' fee. If there are insufficient funds to pay the Attorneys' fees in full from the initial lump sum payment, the balance owed to Attorney will be paid from subsequent payments to Client before there is any distribution to Client.

C. Reasonable Fee if Contingent Fee is Unenforceable or if Attorney is Discharged Before Any Recovery.

In the event that the contingent fee portion of this agreement is determined to be unenforceable for any reason or the Attorneys are prevented from representing Client on a contingent fee basis, Client agrees to pay a reasonable fee for the services rendered. If the parties are unable to agree on a reasonable fee for the services rendered, Attorneys and Client agree that the fee will be determined by arbitration proceedings before a neutral affiliated with the Judicial Arbitration and Mediation Services (JAMS); in any event, Attorneys and Client agree that the fee determined by arbitration shall not exceed twenty five percent (25 %) of the gross recovery as defined in this agreement.

D. Order or Agreement for Payment of Attorneys' Fees or Costs by Another Party.

If a court orders, or the parties to the dispute agree, that another party shall pay some or all of Client's attorneys' fees, costs, or both, Attorneys shall be entitled to the greater of (i) the amount of any attorney's fees awarded by the court or included in the settlement or (ii) the percentage or other formula applied to the recovery amount not including such attorney's fees.

8. COSTS AND EXPENSES.

A. General

In addition to paying legal fees, Client authorizes Attorneys to incur all reasonable costs and expenses and to hire any investigators, consultants, or expert witnesses. Attorneys will advance those costs and expenses. Attorneys will deduct those costs and expenses out of Client's recovery after attorney's fees have been calculated and deducted. If there is no recovery, Client will not be required to reimburse Attorneys for costs and fees. In the event a recovery is less than incurred costs and expenses, Client will not be required to reimburse Attorneys for costs/expenses, above and beyond the recovery, and fees.

B. Document Management Costs

Attorneys have explored two means of managing litigation documents:

- (1) Outsource to outside vendor. Attorneys contract with outside vendors to collect, copy, and store documents. Attorneys advance these costs, and Client reimburses Attorneys out of any recovery; or
- (2) Internal processing. Attorneys can create an internal document management system by obtaining computer software, hardware, and related resources necessary to collect, copy,

store, organize, and produce documents and data. This option obviates the need to outsource this work to an outside vendor.

Attorneys represent that the second option above, internal processing, is the better choice for promoting efficiency, saving Client costs, and limiting legal expenses. Client agrees that Attorneys may purchase the resources necessary to provide an internal document management system for Client, subject to cost review and approval by Client. Attorneys may, however, use outside vendors where costs or circumstances warrant.

9. **SHARED EXPENSES.** Client understands that Attorneys may incur certain expenses that jointly benefit multiple clients, including, for example, expenses for travel, experts, and copying. Client agrees that Attorneys may, in their discretion, divide such expenses equally or pro rata among such clients, and deduct Client's portion of those expenses from Client's share of any recovery. Prior client approval is not required for shared expenses.

10. **DIVISION OF ATTORNEYS' FEES.** At the conclusion of the case, if a recovery is made on behalf of Client, Client understands and agrees that the total Attorneys' contingent fee calculated under paragraph 7.A, above, will be divided among Attorneys as follows: Baron & Budd, P.C. will receive forty-two and one-half percent (42.5 %); Cossich, Sumich, Parsiola & Taylor will receive forty-two and one-half percent (42.5%), and Wigod Law Office will receive fifteen percent (15%). Where a common benefit fee or class fee reduces the contractual fee percentage, the reduced fee percentage is divided pro rata among contracting Attorneys in the percentages set out in this paragraph. Any fee awarded as a "common benefit" or "class" fee will not be divided among Attorneys but will remain the sole property of the firm(s) to which it is awarded.

11. **MULTIPLE REPRESENTATIONS.** Client understands that Attorneys do or may represent many other individuals with actual or potential PFAS litigation claims. Attorneys' representation of multiple claimants at the same time may create certain actual or potential conflicts of interest in that the interests and objectives of each client individually on certain issues are, or may become, inconsistent with the interests and objectives of the other. Attorneys are governed by specific rules and regulations relating to professional responsibility in representation of clients, and especially where conflicts of interest may arise from representation of multiple clients against the same or similar defendants, Attorneys must advise clients of any actual or potential conflicts of interest and obtain their informed written consent to our representation when actual, present, or potential conflicts of interest exist. Client has conferred with its own separate corporate or municipal counsel and has determined that it is in its own best interests to waive any and all potential or actual conflicts of interest which may occur as the result of Attorneys' current and continuing representation of other entities in similar litigation. By signing this agreement, Client states that (1) it has been advised of the potential conflicts of interest which may be or are associated with our representation of Client and other multiple claimants; (2) it nevertheless wants Attorneys to represent Client; and (3) Client consents to Attorneys' representation of others in connection with the PFAS litigation. Client remains completely free to seek other legal advice at any time even after signing this agreement.

12. **POWER OF ATTORNEY.** Client gives Attorneys a power of attorney to execute all reasonable and necessary documents connected with the handling of this cause of action, including pleadings, contracts, settlement agreements, compromises and releases, verifications, dismissals and

orders, and all other documents that Client could properly execute. Client's claims will not be settled without obtaining Client's consent.

13. **SETTLEMENT.** Attorneys will not settle Client's claim without the approval of Client, who will have the absolute right to accept or reject any settlement. Attorneys will notify Client promptly of the terms of any settlement offer received by Attorneys.

14. **AGGREGATE SETTLEMENTS.** Often times in cases where Attorneys represent multiple clients in similar litigation, the opposing parties or defendants attempt to settle or otherwise resolve all of Attorneys' cases in a group or groups, by making a single settlement offer to settle a number of cases simultaneously. There exists a potential conflict of interest whenever a lawyer represents multiple clients in a settlement of this type because it necessitates choices concerning the allocation of limited settlement amounts among the multiple clients. However, if all clients consent, a group settlement can be accomplished and a single offer can be fairly distributed among the clients by assigning settlement amounts based upon the strengths and weaknesses of each case, the relative nature, severity and extent of injuries, and individual case evaluations. In the event of a group or aggregate settlement proposal, Attorneys may implement a settlement program, overseen by a referee or special master, who may be appointed by a court, designed to ensure consistency and fairness for all claimants, and which will assign various settlement values and amounts to each client's case depending upon the facts and circumstances of each individual case. Client authorizes Attorneys to enter into and engage in group settlement discussions and agreements that may include Client's individual claims. Although Client authorizes Attorneys to engage in such group settlement discussions and agreements, Client retains the right to approve any settlement of Client's claims, and Attorneys are required to obtain Client's approval before settling Client's claims.

15. **ATTORNEYS' LIEN.** Attorneys will have a lien for attorneys' fees and costs advanced on all claims and causes of action that are the subject of the representation of Client under this Agreement and on all proceeds of any recovery obtained (whether by settlement, arbitration award, or court judgment).

16. **DISCHARGE OF ATTORNEYS.** Client may discharge Attorneys at any time by written notice effective when received by Attorneys. Unless specifically agreed by Attorneys and Client, Attorneys will provide no further services and advance no further costs on Client's behalf after receipt of the notice. If Attorneys appear as Client's attorneys of record in any proceeding, Client will execute and return a substitution-of-attorney form immediately on its receipt from Attorneys. In the event that Attorneys are discharged, for whatever reason, Client remains obligated to pay Attorneys the entire percentage as agreed in paragraph 7.A or a reasonable fee as described in paragraph 7.C and to reimburse Attorneys for all reasonable costs and expenses not later than thirty (30) days after the receipt of a final cost accounting from Attorneys.

17. **WITHDRAWAL OF ATTORNEYS.** Client and Attorneys agree that if, after investigation of the facts and research of the law, Attorneys believe that Client's claims are of limited merit, Attorneys may terminate this agreement with Client prior to and without filing suit. Termination releases Attorneys from any further action on Client's claim and discharges Attorneys from this Agreement. Termination will be effected via delivery service with signature receipt to the last address provided by Client to Attorneys. After filing suit, Attorneys may withdraw with Client's consent as permitted under the governing Rules of Professional Conduct. The circumstances under which the Rules permit such

withdrawal include, but are not limited to, the following: (a) the representation will result in violation of the rules of professional conduct or other law; (b) if withdrawal can be accomplished without material adverse effect on the interests of Client; (c) if Client persists in a course of action involving Attorneys' services that Attorneys reasonably believe is criminal or fraudulent or if Client has used Attorneys' services to perpetrate a crime or fraud; (d) if Client insists upon pursuing an objective that Attorneys consider repugnant or imprudent; (e) if Client fails substantially to fulfil an obligation to Attorneys regarding Attorneys' services and has given reasonable warning that Attorneys will withdraw unless the obligation is fulfilled; (f) the representation will result in an unreasonable financial burden on Attorneys; or (g) if other good cause for withdrawal exists. Upon termination of representation, Attorneys shall take steps to the extent reasonably practicable to protect Client's interests, will give reasonable notice to Client, will allow time for employment of other counsel, will surrender papers and property to which Client is entitled, and will refund any advance payment of fee that has not been earned. Notwithstanding Attorneys' withdrawal, Client will remain obligated to pay Attorneys at the agreed rate for all services provided, and to reimburse Attorneys for all costs advanced, before the withdrawal.

18. **RELEASE OF CLIENT'S PAPERS AND PROPERTY.** At the termination of services under this Agreement, Attorneys will release promptly to Client on request all of Client's papers and property. "Client's paper and property" includes correspondence, deposition transcripts, exhibits, experts' reports, legal documents, physical evidence, and other items reasonably necessary to Client's representation, whether Client has paid for them or not.

19. **INDEPENDENT CONTRACTOR.** The relationship to Client of Attorneys, and any associate counsel or paralegal provided through Attorneys, in the performance of services under this Agreement is that of Client to independent contractor and not that of Client to employee. No other wording in this Agreement shall stand in derogation of this subparagraph. The fees and costs paid to Attorneys for legal services rendered pursuant to this Agreement shall be deemed revenues of their law office practices and not as a remuneration for individual employment apart from the business of that law office.

20. **NOTICES.** Client agrees to receive communications and documents from Attorneys via email. Attorneys agree to receive communications and documents from Client via email. In the event that Client needs to send hardcopy documents or other physical materials, Client agrees to send those to Attorneys at the following addresses:

Baron & Budd, P.C.
3102 Oak Lawn Ave., Suite 1100
Dallas, Texas 75219

Cossich, Sumich, Parsiola & Taylor LLC
8397 Highway 23, Suite 100
Belle Chasse, Louisiana 770037

Wigod Law Office
7175 S.W. Beveland St. #210
Tigard, Oregon 97223

21. **DISCLAIMER OF GUARANTEE.** Although Attorneys may offer an opinion about possible results regarding the subject matter of this Agreement, Attorneys cannot guarantee any particular result. Client acknowledges that Attorneys have made no promises about the outcome and that any opinion offered by Attorneys in the future will not constitute a promise, guarantee, or warranty.
22. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.
23. **SEVERABILITY IN EVENT OF PARTIAL INVALIDITY.** If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.
24. **MODIFICATION BY SUBSEQUENT AGREEMENT.** The parties may agree to modify this Agreement by executing a new written agreement.
25. **DISPUTES ARISING UNDER AGREEMENT.** Client and Attorneys agree that any controversy, claim, or dispute (including issues relating to the fee) arising out of or relating to this Agreement, its performance, and/or its breach will be resolved by arbitration proceedings before a neutral associated with the Judicial Arbitration and Mediation Services (JAMS). Disagreement as to the fair market value of any non-monetary property or services, however, will be resolved in accordance with paragraph 7.C.
26. **ATTORNEY'S FEES AND COSTS IN ACTION ON AGREEMENT.** The prevailing party in any action or proceeding to enforce any provision of this Agreement will be awarded reasonable attorney's fees and costs incurred in that action or proceeding or in efforts to negotiate the matter.
27. **EFFECTIVE DATE OF AGREEMENT.** This Agreement is effective when the Client signs the Agreement. This Agreement applies to any services provided by Attorneys before its effective date.
28. **MULTIPLE COUNTERPARTS.** This Agreement will be effective whether or not executed in multiple counterparts.

This agreement and its performance are subject to the Texas Disciplinary Rules of Professional Conduct, the Louisiana Rules of Professional Conduct, and the Oregon Rules of Professional Conduct.

Agreed by:

City of St. Helens ("Client")

Scott Summy, Baron & Budd, P.C. (“Attorney”)

Phil Cossich, Cossich, Sumich, Parsiola & Taylor, LLC (“Attorney”)

Ashley Wigod, Wigod Law Office (“Attorney”)

City of St. Helens
AMENDMENT NO. 1 TO
INDEPENDENT CONTRACTOR AGREEMENT

This Amendment is made on December 17, 2025, between **City of St. Helens**, an Oregon municipal corporation (the “City”), and **Treadway Events & Entertainment LLC**, an Oregon limited liability company (“Contractor”), collectively the “Parties” and each a “Party”.

RECITALS

A. WHEREAS, on or about August 7, 2024, the City and Contractor entered into an agreement (“Agreement”) in which Contractor agreed to provide services (“Services”) related to the production and management of events; and

B. WHEREAS, Paragraph 3 of the Agreement provides that the Agreement terminates on December 31, 2025, and that the term may be extended annually for up to three (3) years through December 31, 2028 by mutual written agreement of the Parties; and

C. WHEREAS, Paragraph 3 also provides that a Notice of Intent to Extend be provided by the City to Contractor in writing no later than 60 days prior to December 31 of each year; and

D. WHEREAS, the City emailed a letter to Contractor on November 5, 2025, expressing its intent to extend the contract; and

E. WHEREAS, the City and Contractor mutually desire to extend the term of the agreement an additional year, as per the original agreement conditions.

F. WHEREAS, on April 27, 2025, the City and Contractor entered into a Memorandum of Understanding for the planning and execution of the City’s Annual Community Day, and the Parties agree to include that as an annual event which the Contractor is responsible for.

AGREEMENT

NOW, THEREFORE, the parties mutually agree as follows:

1. The termination date of the Agreement signed on or about August 7, 2024, shall be amended to reflect a **termination date of December 31, 2026**, unless earlier terminated according to the terms of the Agreement.

2. Attachment A, Special Event Coordination and Management Services, Scope of Work, is amended to add the City’s Community Day event as described in the Memorandum of Understanding signed on April 27, 2025.

3. Attachment C, Compensation is amended to add the Eight Thousand Five Hundred Dollars and Zero Cents (\$8,500) to plan and execute the City’s Community Day.

4. All other terms and conditions of the Agreement and Memorandum of Understanding, as previously amended, shall remain in full force and effect other than as specifically amended herein.

CITY:

CITY OF ST. HELENS, an Oregon
municipal corporation

By:_____

Name:_____

Its:_____

CONTRACTOR:

**TREADWAY EVENTS &
ENTERTAINMENT LLC**

By:_____

Name:_____

Its:_____



STAFF REPORT

Meeting Date: December 17, 2025
 Author: John Walsh, City Administrator
 Department: City Administrator's Office
 Subject: Third Amendment to PSA with Arcadia Holdings
 Type of Item: Real Property Agreement

Background: The City entered into a Purchase and Sale Agreement with Arcadia Paper Mills, LLC, later assigned to Arcadia Holdings, LLC, on August 30, 2024, for the purchase and sale of real property located at 1300 Kaster Road to operate the paper manufacturing facility. The terms and conditions of the purchase and sale have been updated in Amendment No. 1, entered into on February 19, 2025, and Amendment No. 2 entered into on September 23, 2025.

The Parties desire to amend the Purchase and Sale agreement as follows:

- Update the final legal descriptions
- Update the legal descriptions contained in the easements
- Update the Seller Financing Documents, which include the Promissory Note, Deed of Trust, and Environmental Indemnity.
- Incorporate the final agreement for the Operating Covenants and Agreements (also known as the Ancillary Agreement) for Arcadia's use of the City's water right, including the following, and more further described in the Agreement:
 - Use of the City's Effluent Clarifier System
 - Use of the Water Intake System
 - The obligation to continue to operate the Fire Suppression System for the benefit of the adjacent properties
 - A one-time right to transfer the use of the agreement to a new mill operator for a fee or to an affiliate operator without a fee
 - Any other subsequent purchaser of the property must obtain permission from the City to use the City's water right
- The form of bill of sale will be confirmed by closing.
- The transaction is required to close by December 30, 2025, and the Parties are intending to close the transaction as soon as possible in advance of that date.

Recommendation: It is recommended that City Council approve Amendment No. 3 to the Purchase and Sale Agreement with Arcadia Holdings, LLC.

Recommended Motion:

1. I make a motion to approve Amendment No. 3 to the Purchase and Sale Agreement with Arcadia Holdings, LLC, and direct the City Administrator to take all necessary steps, including making any minor updates to the documents as needed, to prepare for and close the transaction.

THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

This THIRD AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT (this “**Amendment**”), dated December __, 2025 (the “**Amendment Effective Date**”), is entered into by and between:

1. **ARCADIA HOLDINGS, LLC**, an Oregon limited liability company (“**Purchaser**”);
and
2. **THE CITY OF ST. HELENS, OREGON**, an Oregon municipal corporation (“**Seller**”).

The Purchaser and Seller are referred to herein as, the “**Parties**” and each, individually as, a “**Party**.”

WHEREAS, Purchaser’s predecessor-in-interest, Arcadia Paper Mills, LLC (“**Original Purchaser**”) and Seller entered into that certain Real Estate Purchase and Sale Agreement dated August 30, 2024 (as amended, the “**Agreement**”), as amended by that certain First Amendment thereto dated February 19, 2025 (“**First Amendment**”), and that Second Amendment thereto dated September 23, 2025 (the “**Second Amendment**”) with respect to certain real property described therein, located in St. Helens, Columbia County, Oregon; and

WHEREAS, Seller and Purchaser desire to amend the Agreement to as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises of the Parties as set forth herein, Seller and Purchaser hereby agree as follows:

1. **Recitals; Definitions.** The foregoing Recitals are incorporated into and made a part of this Amendment. All capitalized terms not defined in this Amendment have the meanings ascribed to them in the Agreement. All references to the “**Agreement**” contained in this Amendment and in the Agreement shall refer to the Agreement as amended by this Amendment.

2. **Legal Description of the Land.** The Agreement is hereby amended to provide that the legal description attached hereto as **Exhibit A-1** shall be the final legal description of the boundaries of the Land that is to be conveyed pursuant to the Agreement. **Exhibit A-1** attached hereto supersedes all other, prior descriptions of the boundaries of the Land (whether via the Approved Survey, the Second Amendment, or otherwise) among the Parties. **Exhibit A-2** attached hereto was prepared by AKS Engineering for Buyer and Seller as a survey mapping of the legal description attached hereto as **Exhibit A-1**, together with the location of certain easements showing on **Exhibit A-2**. **Exhibit A-2** replaces any prior mapping provided among the parties.

3. **Closing Documents Supersede Forms Attached to Agreement.** Attached hereto as **Exhibits B-1, B-2, and B-3** are updated draft forms of, respectively, the Promissory Note (with an updated note amount therein), Deed of Trust, Environmental Indemnity Agreement contemplated by Section 8 of the Agreement, as well as **Exhibit B-4**, the final draft Operating Covenants Agreement, and **Exhibit B-5**, the final draft Bill of Sale.

4. **Reaffirmation of Agreement.** All other terms and conditions of the Agreement remain as agreed upon and are hereby reaffirmed. This Third Amendment shall be deemed to be incorporated into the Agreement and subject to all other terms and conditions therein.

IN WITNESS WHEREOF, the Parties hereto have executed this Third Amendment to the Purchase and Sale Agreement, effective as of the Effective Date defined above.

SELLER:**CITY OF ST. HELENS, OREGON**

An Oregon municipal corporation

By: _____
Name: _____
Title: _____
Date Executed: _____

PURCHASER**ARCADIA HOLDINGS, LLC**

An Oregon limited liability company

By: _____
Name: _____
Title: _____
Date Executed: _____

Exhibit A-1
Final Legal Description of the Land

[See Attachment]

**AKS ENGINEERING & FORESTRY**

12965 SW Herman Road, Suite 100, Tualatin, OR 97062

P: (503) 563-6151

F: (503) 563-6152

AKS Job #11559-01

EXHIBIT**Adjusted Parcel 1 of Partition Plat No. 2020-03**

A portion of Parcel 1 of Partition Plat No. 2020-03, recorded as Instrument Number 2020-5170, Columbia County Records, located in the East One-Half of Section 9, and the West One-Half of Section 10, Township 4 North, Range 1 West, Willamette Meridian, City of St. Helens, Columbia County, Oregon, and being more particularly described as follows:

Commencing at the northwest corner of said Section 10; thence along the north line of said Section 10, South 88°24'43" East 418.70 feet to the northwesterly corner of Book 177, Page 23, Columbia County Records, and Book 178, Page 289, Columbia County Records; thence along the westerly line of said deeds on the following three (3) courses: South 22°44'17" West 226.63 feet, South 67°15'43" East 290.00 feet, South 22°44'17" West 304.86 feet to the southwesterly corner of said deeds and the Point of Beginning; thence along the southerly line of said deeds, South 67°15'43" East 415.00 feet; thence leaving said southerly line, South 60°37'13" East 45.30 feet to the northwesterly right-of-way line of Portland & Western Railroad (50.00 feet from centerline); thence along said northwesterly right-of-way line (variable width from centerline), South 67°15'43" East 25.00 feet; thence continuing along said northwesterly right-of-way line (25.00 feet from centerline), South 22°44'17" West 483.03 feet; thence leaving said northwesterly right-of-way line, North 67°16'05" West 210.28 feet; thence South 22°36'40" West 265.41 feet; thence South 26°39'01" West 74.89 feet; thence South 22°36'40" West 358.39 feet; thence North 67°08'46" West 259.55 feet to the northeasterly corner of Parcel 2 of said Partition Plat No. 2020-03; thence along the northeasterly line of said Parcel 2, North 67°08'46" West 307.77 feet to the northwesterly corner of said Parcel 2; thence leaving said northwesterly corner, North 67°08'46" West 271.82 feet; thence South 23°34'28" West 171.98 feet; thence North 66°11'51" West 132.94 feet; thence North 23°34'28" East 447.31 feet; thence North 66°25'32" West 300.00 feet; thence North 29°41'18" East 252.62 feet to the intersection of the southwesterly right-of-way line of Kaster Road (60.00 feet in width) and the southeasterly right-of-way line of Franklin Street (60.00 feet in width); thence along said southeasterly right-of-way line, North 30°33'22" East 160.00 feet to the northeasterly right-of-way line of Franklin Street; thence leaving said northeasterly right-of-way line, North 82°22'39" East 574.48 feet; thence North 88°22'28" East 492.86 feet to the Point of Beginning.

The above described tract of land contains 29.69 acres, more or less.

The Basis of Bearings for this description are based on said Partition Plat No. 2020-03.

10/23/2025

**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

**OREGON
JANUARY 9, 2007
NICK WHITE
70652LS**

RENEWS: 6/30/26

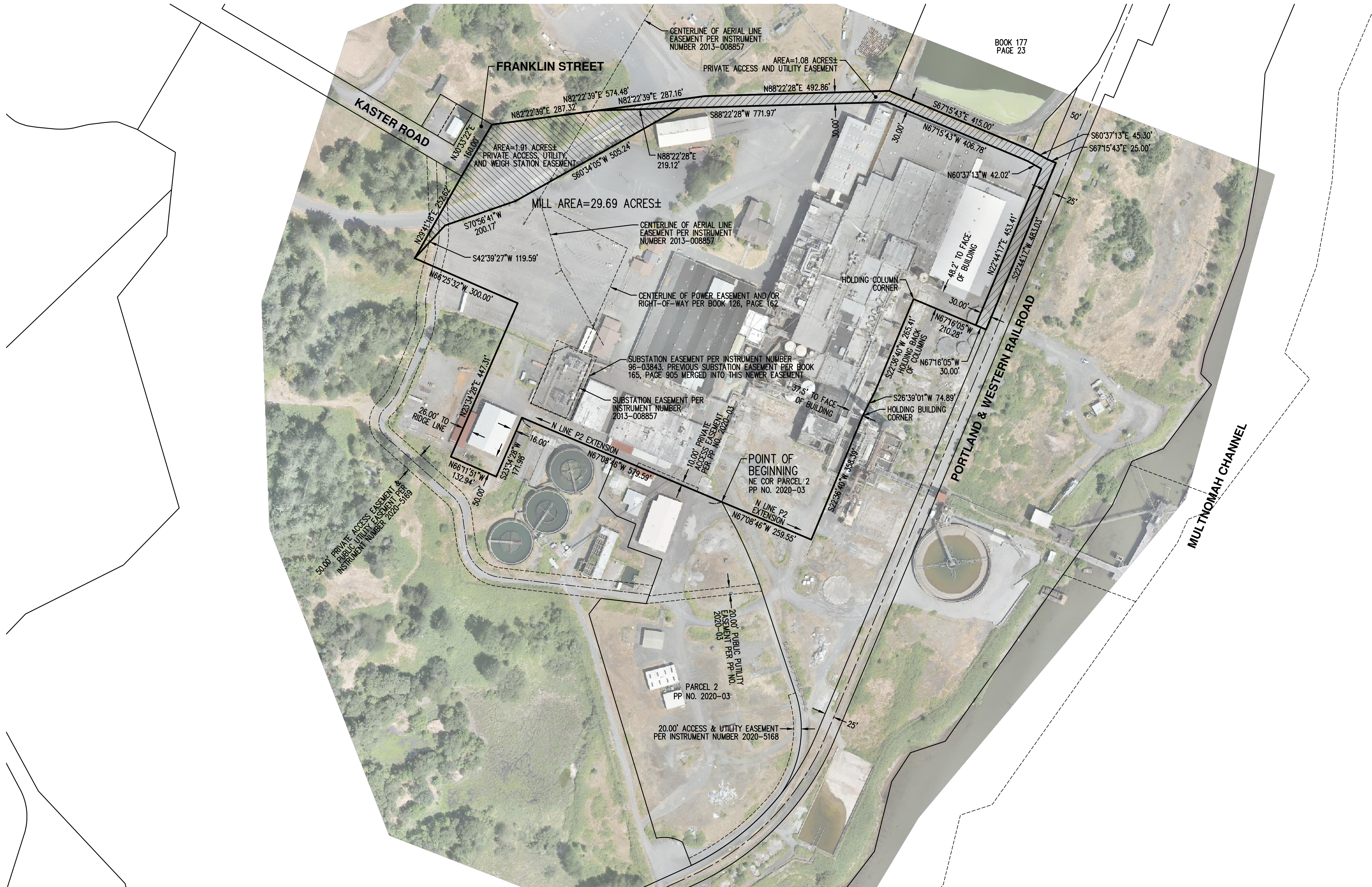
Exhibit A-2
Final Mapping of the Land and Select Easements

[See Attachment]

AKS DRAWING FILE: 11559-01_20250901 EXHIBIT.DWG LAYOUT: E08

PREPARED FOR
ALLIED WEST PAPER CORPORATION
11101 ETIWANDA AVENUE
FONTANA, CA 92337

EXHIBIT MAP
A PORTION OF PARCEL 1 OF PARTITION PLAT NO. 2020-03,
LOCATED IN THE NORTHEAST 1/4 OF SECTION 9 AND THE NORTHWEST 1/4 OF SECTION 10,
TOWNSHIP 4 NORTH, RANGE 1 WEST, WILLAMETTE MERIDIAN,
CITY OF ST. HELENS, COLUMBIA COUNTY, OREGON

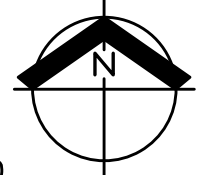


NOTE

1. AN EASEMENT FOR SLOPES BEYOND RAILROAD
RIGHT-OF-WAY LINES PER BOOK 55, PAGE
55, NOT MAPPABLE.
2. A 20' WIDE POWER LINE EASEMENT AND/OR
RIGHT-OF-WAY PER BOOK 124, PAGE 474
WHICH IS LOCATED ON PARCEL 1.

SCALE: 1"=150 FEET

150 0 30 75 150



DESIGNED BY:
DRAWN BY: WCB
MANAGED BY:
CHECKED BY: NSW
DATE: 9/15/2025
REGISTERED
PROFESSIONAL
LAND SURVEYOR
Nick White
OREGON
JANUARY 9, 2007
NICK WHITE
7065215
RENEWS: 6/30/26
REVISIONS

JOB NUMBER
11559-01
EXHIBIT
1

PROPERTY BOUNDARY
EXHIBIT

1300 KASTER ROAD

AKS
AKS ENGINEERING & FORESTRY, LLC
1206E SW HERMAN RD., STE 100
TUALATIN, OR 97062
503.563.6151
WWW.AKS-ENG.COM
ENGINEERING · SURVEYING · NATURAL RESOURCES
FORESTRY · PLANNING · LANDSCAPE ARCHITECTURE

Exhibit B-1
Promissory Note

[See Attachment]

PROMISSORY NOTE

\$3,376,063.67

December __, 2025

FOR VALUE RECEIVED, the undersigned (“Maker”) promise to pay to the order of CITY OF ST. HELENS, OREGON, a State of Oregon municipal corporation (herein “Holder”), at the time and place and in the manner provided herein, the principal sum of **Three Million Three Hundred Seventy Six Thousand Sixty Three and 67/100 Dollars (\$3,376,063.67)**, together with interest and other sums as provided herein.

1. **Interest and Payment.**

1.1 **Interest Rate.** Maker promises to pay (on the schedule set forth in Section 1.2 below) interest accruing from and including the date hereof until maturity on the unpaid principal of this Note at a rate of eight percent (8.0%) per annum. Interest shall be computed on the basis of a three hundred sixty (360) day year, and a thirty (30) day month.

1.2 **Payments.** Maker shall not be obligated to commence making payments on principal or accrued interest hereunder until November 1, 2026. Commencing on November 1, 2026, and on the first day of each subsequent month up to and including March 1, 2027, Maker will pay monthly installments of interest only in the amount of \$81,025.53. Commencing on April 1, 2027, this Note shall be repaid in equal monthly installments of \$83,908.64 on account of outstanding principal, together with all interest that shall have accrued on such outstanding principal balance as of each monthly payment date. Payment installments under this Section 1.2 shall be due and payable on the first day of each succeeding calendar month thereafter until January 31, 2031, on which date any unpaid principal, together with all accrued, unpaid interest hereon, shall mature and become finally due and payable.

1.3 **Default Interest Rate.** After maturity (whether by acceleration or otherwise) or on and after an event of default under this Note, any principal and interest not paid shall bear interest at the annual rate of ten percent (10%) over and above the rate which would otherwise apply hereunder, or the maximum amount which may be legally charged as interest, whichever is the lesser, until paid.

1.4 **Late Charge.** If any payment due hereunder is not made within fifteen (15) days of the date when first due, Maker shall pay to Holder a late charge in an amount equal to ten percent (10%) of the amount of such payment. Holder's acceptance of such late charges shall not constitute a waiver of any existing or subsequent default hereunder. Such late charge shall not be assessed against any balloon payment due hereunder at maturity, to the extent that the balloon is in excess of the regular monthly installments due hereunder.

1.5 **Place and Time of Payment.** All payments specified herein shall be deemed made when actually received by Holder. All payments shall be made to Holder at 265 Strand Street, St. Helens, Oregon 97051 (as such address may be updated upon written notice delivered by Holder to Maker in accordance with Section 4.10 of the Deed of Trust below) and shall be made without offset and without prior notice or demand.

1.6 Form and Application of Payments. Payments shall be in lawful money of the United States of America and when received by Holder shall be applied first to all amounts due hereunder other than principal or interest, second to accrued interest, third to the portion of the principal balance then due, if any, then fourth as a principal payment.

1.7 Prepayment. If, prior to December 31, 2026, either (i) Maker prepays this Note voluntarily, or (ii) the maturity date of this Note is accelerated in connection with a default by Maker, then in either instance Maker shall pay to Holder a prepayment fee equal to 1.0% of the original principal balance hereunder (\$29,325.63). From and after January 1, 2027, Maker may prepay this Note in whole or in part at any time without penalty or fee.

2. Default.

Time is of the essence of this Note. A default shall occur if:

2.1 Failure to Make Payments. Maker fails to make any payment under this Note within fifteen (15) days of the date due.

2.2 Other Failures. Maker fails to perform any other obligation contained in this Note or any covenant contained in any instrument securing payment of this Note or executed in connection herewith by Maker or a related party within fifteen (15) days after notice from Holder specifying the nature of the default; provided, however, that if such failure cannot be cured within such fifteen (15) day period despite commercially reasonable efforts, then the cure period shall be extended to provide Maker with a reasonable opportunity (not to exceed forty-five (45) days) to cure such failure provided that Maker: (i) promptly commence such cure upon notice from Holder, and (ii) diligently pursues completion of such cure until such cure is complete.

2.3 Bankruptcy. Maker becomes insolvent, a receiver is appointed to take possession of all or a substantial part of Maker's properties, Maker makes an assignment for the benefit of creditors or files a voluntary petition in bankruptcy, or Maker is the subject of an involuntary petition in bankruptcy.

3. Remedies.

In the event of a default, Holder, at its option, may take any one or more of the following steps:

3.1 Acceleration. Declare the entire unpaid principal balance of this Note, all accrued unpaid interest on this Note and all other costs and expenses due hereunder, to be immediately due and payable, and exercise any remedy available to Holder under this Note or any instrument evidencing or securing payment of this Note.

3.2 Other Remedies. Pursue any other right or remedy provided in this Note or otherwise allowed by law.

Holder may pursue any such rights or remedies singly, together or successively. Exercise of any such right or remedy shall not be deemed an election of remedies. Failure to

exercise any right or remedy shall not be deemed a waiver of any existing or subsequent default nor a waiver of any such right or remedy.

4. Attorneys' Fees and Collection Costs.

In the event of default under this Note, the Maker agrees to pay all costs and expenses, to the extent such costs and expenses are reasonable, which may be incurred by the Holder with respect to such default, including (without limitation) costs and expenses of investigating the same and circumstances and events surrounding or relating thereto, fees charged by and expenses of professional consultants and advisers, including attorneys and accountants, costs of searching records, obtaining title reports, surveyor's reports, attorneys' opinions, title insurance costs, trustee's fees, and all other reasonable expenses incurred by the Holder that are necessary at any time in Holder's opinion for the protection of its interest and the enforcement of its rights. Attorneys' fees shall include reasonable costs and expenses of legal advice with respect to the event of default and rights and remedies of Holder, negotiations with the Maker and any other parties in interest, attorneys' fees and expenses with respect to any action which Holder may commence or in which it might appear, whether for the purpose of protecting or preserving Holder's rights or to realize upon the lien of any security interest upon real or personal property, or both, by foreclosure or otherwise, and all attorneys' fees and expenses in any review of or appeal from any action and any other proceeding. Maker also agrees to pay any attorneys' fees incurred by Holder in connection with any bankruptcy or similar proceedings wherein Maker (as defined in Section 2.3) is the "debtor."

5. Governing Law, Usury; Severability.

5.1 Governing Law and Usury. This Note shall be construed and enforced in accordance with the laws of the State of Oregon. Maker and Holder intend to comply strictly with the applicable usury laws now or hereafter governing the consideration received under this Note. If the applicable law is ever interpreted so as to render usurious any consideration called for, contracted for, charged, taken, reserved or received with respect to this Note, or if any prepayment by Maker or Holder's exercise of the option herein contained to accelerate the maturity of this Note results in Maker having paid any interest in excess of that permitted by law, Maker and Holder agree that all excess amounts collected by Holder shall be credited on the principal balance of this Note (or, if this Note has been paid in full, refunded to Maker) and the provisions of this Note shall be deemed reformed and the amounts thereafter collectible on this Note reduced, without the necessity of the execution of any new documents, so as to comply with the then applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder. This Section 5.1 shall control and supersede any conflicting provision of this Note.

5.2 Severability. If any provision of this Note is found by a court of competent jurisdiction to be invalid or unenforceable as written, then the parties agree that: (a) such provision be enforceable to the full extent permitted by law, and (b) the invalidity or unenforceability of such provision shall not affect the validity and enforceability of the remainder of this Note.

6. Amendment.

This Note may not be amended, modified or changed, nor shall any provision of this Note be deemed waived, other than by an instrument in writing signed by the party against whom enforcement of any such waiver, amendment, change, or modification is sought.

7. Waivers; Joint and Several Liability.

Maker and all sureties and accommodation parties, without affecting their liability hereunder, hereby: (a) waive diligence, presentment, protest and demand, (b) waive notice of protest, of demand, of nonpayment, of dishonor and of maturity, and (c) consent to any extension or alteration of the time or terms of payment hereof, any and all renewals, extensions or modifications of the terms hereof, any release of all or any part of any security which may be given for the payment hereof, any acceptance of additional security of any kind, and any release of or resort to any party liable for payment hereof, any of which may be made without notice to any of said parties. All such parties, including Maker (as defined in Section 2.3 above) and each constituent person and entity of Maker, agree that they each shall be jointly and severally liable for full payment of this Note and agree to pay the full amount of the principal and interest of the indebtedness evidenced hereby. Unless and to the extent otherwise limited by the express terms of this Note, this Note is executed with recourse against the individual assets of all persons liable hereunder and against the separate properties and marital community estates of all persons who are personally liable on this Note, and the marital community estates of such persons' spouses.

8. Binding Agreement.

This Note shall be binding upon the heirs, lawful successors and assigns of Maker; provided, however, that in no event shall Maker be permitted to assign this Note without the prior written consent of Holder, which may be withheld, conditioned, or delayed in Holder's sole discretion.

9. Security.

This Note is secured by, among other instruments, a Deed of Trust of even date herewith, made by Maker in favor of Ticor Title Company of Oregon for the benefit of Holder and encumbering certain real property located in St. Helens, Oregon.

10. Warranties.

Maker warrants and represents to Holder that the proceeds of the loan evidenced hereby will be used for commercial purposes and will not be used for personal, consumer, residential or household purposes.

11. Construction.

This Note and the security documents and guaranties related hereto have been reviewed and negotiated by Maker, Holder and any guarantors with the benefit of or the opportunity to seek the assistance of legal counsel and shall not be construed against any party by presumption. The titles and captions contained in this Note are inserted for convenience and shall

not be deemed to define, limit, extend or modify any provision of this Note. All references to Holder herein shall include any successor or assign of Holder.

12. Notices.

Any notice required or permitted to be given under this Note may be given by depositing the same in the United States Mail, postage prepaid, by certified mail, return receipt requested, addressed to the Maker or Holder, as the case may be, at their respective addresses set forth in this Note. Either party may change its address for notices by giving the other party notice of the change. Any notice given in the manner set forth above shall be effective upon the expiration of two (2) business days after deposit in the United States Mail; notice given in any other manner shall be effective only upon receipt by the party for whom the same is intended.

UNDER OREGON LAW MOST AGREEMENTS, PROMISES, AND COMMITMENTS MADE BY LENDER CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION, AND BE SIGNED BY LENDER TO BE ENFORCEABLE.

[Signature On Following Page]

This Promissory Note has been executed as of the date and year first above written.

MAKER:

Arcadia Holdings, LLC

An Oregon limited liability company

By: _____

Name: _____

Title: _____

Maker Address:

1420 5th Ave Ste 3700

Seattle, WA 98101

Exhibit A to Promissory Note

Loan Amount: \$ 3,376,063.67
Interest Rate: 8%
of Mthly Pmt. Periods: 52.00

First 5 Mos. Pmt.: (81,025.53)
Amort. Pmt. (83,908.64)

** NOTE: Payments in the "Prin. Pmt. Due" columns for November 1, 2026, through March 1, 2027 are on account of previously-accrued, but unpaid, "carried" interest, and payments in the "Int. Pmt. Due" column reflect newly accrued interest on the loan's original principal balance of \$2,932,563.28. Payment of principal and interest commences on April 1, 2027, as provided in the Note.

	2025			2026			2027			2028		
	Principal	Interest Pmt.	Loan P & Car'd I.	Prin. Pmt. Due	Int. Pmt. Due	Loan P & Car'd I.	Prin. Pmt. Due	Int. Pmt. Due	Loan P & Car'd I.	Prin. Pmt. Due	Int. Pmt. Due	Loan P & Car'd I.
1-Jan	N/A	N/A	N/A	-	-	3,466,092.03	(58,518.44)	(22,507.09)	3,493,100.53	(65,185.43)	(18,723.21)	2,743,296.33
1-Feb	N/A	N/A	N/A	-	-	3,488,599.13	(58,518.44)	(22,507.09)	3,434,582.09	(65,620.00)	(18,288.64)	2,677,676.33
1-Mar	N/A	N/A	N/A	-	-	3,511,106.22	(58,518.44)	(22,507.09)	3,376,063.65	(66,057.47)	(17,851.18)	2,611,618.86
1-Apr	N/A	N/A	N/A	-	-	3,533,613.31	(61,401.55)	(22,507.09)	3,314,662.10	(66,497.85)	(17,410.79)	2,545,121.01
1-May	N/A	N/A	N/A	-	-	3,556,120.40	(61,810.90)	(22,097.75)	3,252,851.20	(66,941.17)	(16,967.47)	2,478,179.84
1-Jun	N/A	N/A	N/A	-	-	3,578,627.49	(62,222.97)	(21,685.67)	3,190,628.23	(67,387.45)	(16,521.20)	2,410,792.39
1-Jul	N/A	N/A	N/A	-	-	3,601,134.58	(62,637.79)	(21,270.86)	3,127,990.45	(67,836.70)	(16,071.95)	2,342,955.69
1-Aug	N/A	N/A	N/A	-	-	3,623,641.67	(63,055.37)	(20,853.27)	3,064,935.07	(68,288.94)	(15,619.70)	2,274,666.76
1-Sep	-	-	3,376,063.67	-	-	3,646,148.76	(63,475.74)	(20,432.90)	3,001,459.33	(68,744.20)	(15,164.45)	2,205,922.56
1-Oct	-	-	3,398,570.76	-	-	3,668,655.85	(63,898.92)	(20,009.73)	2,937,560.41	(69,202.49)	(14,706.15)	2,136,720.06
1-Nov	-	-	3,421,077.85	(58,518.44)	(22,507.09)	3,610,137.41	(64,324.91)	(19,583.74)	2,873,235.50	(69,663.84)	(14,244.80)	2,067,056.22
1-Dec	-	-	3,443,584.94	(58,518.44)	(22,507.09)	3,551,618.97	(64,753.74)	(19,154.90)	2,808,481.76	(70,128.27)	(13,780.37)	1,996,927.95

(First Day of each month)

	2029			2030			2031		
	Prin. Pmt. Due	Int. Pmt. Due	Loan P & Car'd I.	Prin. Pmt. Due	Int. Pmt. Due	Loan P & Car'd I.	Prin. Pmt. Due	Int. Pmt. Due	Loan P & Car'd I.
1-Jan \$	(70,595.79)	\$ (13,312.85)	1,926,332.16	(76,455.21)	(7,453.44)	1,041,560.36	(82,800.95)	(1,107.69)	83,352.94
1-Feb \$	(71,066.43)	\$ (12,842.21)	1,855,265.73	(76,964.91)	(6,943.74)	964,595.45	(83,352.96)	(555.69)	(0.02)
1-Mar \$	(71,540.21)	\$ (12,368.44)	1,783,725.52	(77,478.01)	(6,430.64)	887,117.44	-	-	-
1-Apr \$	(72,017.14)	\$ (11,891.50)	1,711,708.38	(77,994.53)	(5,914.12)	809,122.92			
1-May \$	(72,497.26)	\$ (11,411.39)	1,639,211.12	(78,514.49)	(5,394.15)	730,608.42			
1-Jun \$	(72,980.57)	\$ (10,928.07)	1,566,230.55	(79,037.92)	(4,870.72)	651,570.50			
1-Jul \$	(73,467.11)	\$ (10,441.54)	1,492,763.45	(79,564.84)	(4,343.80)	572,005.66			
1-Aug \$	(73,956.89)	\$ (9,951.76)	1,418,806.56	(80,095.27)	(3,813.37)	491,910.39			
1-Sep \$	(74,449.93)	\$ (9,458.71)	1,344,356.63	(80,629.24)	(3,279.40)	411,281.15			
1-Oct \$	(74,946.27)	\$ (8,962.38)	1,269,410.36	(81,166.77)	(2,741.87)	330,114.38			
1-Nov \$	(75,445.91)	\$ (8,462.74)	1,193,964.45	(81,707.88)	(2,200.76)	248,406.50			
1-Dec \$	(75,948.88)	\$ (7,959.76)	1,118,015.57	(82,252.60)	(1,656.04)	166,153.89			

(First Day of each month)

Exhibit B-2
Deed of Trust

[See Attachment]

AFTER RECORDING RETURN TO:

**DEED OF TRUST, ASSIGNMENT OF RENTS,
 SECURITY AGREEMENT, AND FIXTURE FILING**

Dated December ___, 2025

Grantor: Arcadia Holdings, LLC, an Oregon limited liability company

Trustee: Ticor Title Company of Oregon, an Oregon corporation

Beneficiary: City of St. Helens, an Oregon municipal corporation

ADDITIONAL STATUTORY NOTICES:

- (a) The address of the entity holding a lien or other interest created by this instrument is:
 265 Strand Street
 St. Helens, Oregon 97051
- (b) The tax account number(s) for the property subject to the lien or in which the interest is
 created is/are: 4109-00-00100 and 4109-00-00101
- (c) Type of transaction: Creation of deed of trust lien and security interests encumbering the
 property or properties described herein.
- (d) Consideration Amount: \$3,376,063.67 (loan amount secured by deed of trust lien)

**THIS DOCUMENT CONSTITUTES A FIXTURE FILING IN ACCORDANCE WITH THE
 UNIFORM COMMERCIAL CODE.**

DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT, AND FIXTURE FILING

This Deed of Trust is made and executed this December_____, 2025, by **Arcadia Holdings, LLC**, an Oregon limited liability company, as grantor (“Grantor”), whose address is 1420 5th Ave Ste 3700, Seattle, Washington 98101, in favor of **Ticor Title Company of Oregon**, an Oregon corporation, as trustee (“Trustee”), whose address is 2534 Sykes Road, Suite C, St. Helens, Oregon 97051, for the benefit of **City of St. Helens**, an Oregon municipal corporation, as beneficiary (“Beneficiary”), whose address is 265 Strand Street, St. Helens, Oregon 97051.

Recitals

Grantor is the owner of fee simple title to the real property described on Exhibit A attached hereto. This Deed of Trust is given to secure payment and performance of a promissory note of even date herewith (the “Note”) made by Grantor and payable to Beneficiary in the principal sum of **Three Million Three Hundred Seventy Six Thousand Sixty Three and 67/100 Dollars** (\$3,376,063.67), together with interest as set forth therein. The final payment of principal under the Note is due and payable on January 31, 2031, subject to any extension privileges, if any, set forth in the Note.

This Deed of Trust is further given to secure: (i) payment and performance of any renewals, extensions, substitutions and modifications of the Note and future advances under the Note; and (ii) payment and performance of any other indebtedness or obligation of Grantor to Beneficiary now or hereafter arising under the terms hereof, the terms of the Note or the terms of any other agreement constituting additional security for the Note, including future advances.

Agreement

Therefore, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. **Grant and Conveyance.** For the purposes set forth in the Recitals, Grantor irrevocably grants, conveys, bargains and sells to Trustee, in trust, with power of sale, all of Grantor’s right, title and interest, whether now owned or hereafter acquired, in and to the following described properties, and all income, revenues and profits derived from such items of property (all sometimes referred to herein collectively as the “Premises”):

1.1 **The Real Property.** The real property described on Exhibit A attached hereto, together with all rights, interests and hereditaments appurtenant thereto (the “Real Property”);

1.2 **The Improvements.** All buildings, structures, fixtures and other improvements of every kind and nature now or hereafter located on or about the Real Property, together with all renewals, replacements, substitutions, accessions, additions and products thereof (the “Improvements”);

1.3 **Intentionally Omitted.**

1.4 **Leases.** All of Grantor's right, title and interest in and to all lease, occupancy and rental agreements for occupants, tenants and lessees of the Real Property or Improvements, whether now or hereafter existing (the "Tenant Leases"); and

1.5 **Proceeds.** All insurance and condemnation proceeds and awards (including title insurance proceeds) related to the Premises or any interest in the Premises, regardless of form or generation and regardless of the source of payment, and all proceeds (of any generation) of any of the items of property included in the Premises (the "Proceeds").

The parties intend that Beneficiary shall have a security interest in all of the operating revenues of the Premises, whether those revenues are deemed to be derived from or related to the Real Property or the Improvements.

2. **Grantor's Covenants and Warranties.** Grantor warrants, covenants and agrees with and to Trustee and Beneficiary as follows:

2.1 **Title.** Grantor warrants that Grantor is the absolute legal and equitable owner of, and has good and marketable title to, the Real Property. This Deed of Trust is and shall remain a valid and enforceable first lien on the Premises free of all liens, claims, security interests, encumbrances, easements and restrictions except the special exceptions set forth in the mortgagee's policy of title insurance issued to and approved by Beneficiary in connection with this transaction (the "Permitted Exceptions"). Grantor has full power and authority to convey the Premises in the manner and form herein conveyed. Grantor and its successors and assigns shall warrant and defend such title to the Premises forever against all claims and shall promptly perform all of the obligations to be performed hereunder and under the Permitted Exceptions. Grantor shall furnish to Beneficiary written notice of any litigation, lien, or notice of default affecting the Premises when received. Grantor shall, at its cost, do all further acts, and shall execute and deliver all further documents as Beneficiary shall from time to time require to perfect, continue, assure, convey and confirm the Premises to the Trustee or Beneficiary.

2.2 **Payment and Performance.**

(a) Payment of Secured Obligations. The Note and all other obligations set forth in the Recitals, including all obligations and duties of Grantor hereunder, are collectively referred to as the "Secured Obligations." Grantor shall pay and perform as and when due all of the Secured Obligations without offset and without prior notice or demand, but in all events subject to all applicable notice and cure periods.

(b) Permitted Exceptions. Grantor shall pay and perform, as and when due, all obligations set forth in or evidenced or secured by the Permitted Exceptions and keep the same free from default.

(c) Payment of Taxes. Grantor shall pay, when prior to delinquency and prior to accrual of interest or penalties, all Taxes (as defined below) with respect to the

Premises. Upon demand, Grantor shall provide Beneficiary with evidence, satisfactory to Beneficiary, that such payments have been made. “Taxes” shall mean and include, without limitation, all personal and real property taxes, assessments and impositions, whether public or private, of any kind, levied, assessed or imposed upon the Premises or any portion thereof. In the event of default by Grantor under any instrument evidencing or securing payment of the Secured Obligations, Beneficiary, at its option, may require Grantor to maintain reserves for payment of Taxes or premiums on insurance required hereunder, or both. The reserve shall be created by initial payment and subsequent monthly payment to Beneficiary of an amount determined by Beneficiary to be sufficient to produce, at least thirty (30) days before they are due, amounts equal to or in excess of the Taxes or insurance renewal premiums to be paid. If, at the time payments are to be made, the reserve is insufficient or would be rendered insufficient, Grantor shall upon demand pay such additional sum as Beneficiary shall determine to be necessary. Beneficiary shall not be required to pay any interest with respect to any reserves and shall be entitled to commingle such reserves with other funds of Beneficiary, to the extent permitted to do so by applicable law.

2.3 Construction, Maintenance and Repair. Without limiting Grantor’s obligations under any other agreement executed in favor of Beneficiary, Grantor shall keep the Real Property and Improvements in good operating order, repair and condition, ordinary wear and tear excepted, and shall not commit or permit any waste thereof. Grantor, at its cost, shall make all repairs necessary to the Real Property and Improvements and shall complete and restore promptly and in good and workmanlike manner any portion of the same which may be damaged or destroyed, and pay, when due, all costs incurred in connection therewith regardless of whether sufficient proceeds are available to pay such costs; the same shall be restored and repaired so as to be at least equal in value and of substantially the same character as existed prior to such damage or destruction. Grantor shall not demolish any of the Improvements (including any real property fixtures), save and except for any redevelopment of the Property that has been approved by Grantor, in its reasonable discretion.

2.4 Compliance with Laws. Grantor shall comply with all laws, ordinances, regulations, easements, agreements, covenants, conditions and restrictions now or hereafter affecting the Premises or the use or operation thereof. Grantor shall not cause, permit or suffer any violation of any of the foregoing and shall pay all fees or charges of any kind in connection therewith. Grantor shall indemnify and hold Beneficiary, its officers, directors, employees, members and agents (the “Beneficiary Parties”), and the Premises, harmless from any claim, cost, damage or expense, including attorney fees and penalties, with respect to any breach or alleged breach of the covenants set forth in this Section 2.4.

2.5 Insurance.

(a) Obligation to Insure. Grantor shall provide, maintain and keep in force, at its own cost and expense, the following policies of insurance, and such other insurance (including, without limitation, flood and earthquake insurance) as Beneficiary reasonably may require from time to time against the same or other hazards:

(i) Property Insurance. Property insurance (including earthquake and flood coverages) against loss or damage to the Real Property and the Improvements by fire and any and all of the risks covered by insurance of the type known as of the date hereof

as “special form,” in an amount not less than one hundred percent (100%) of the full replacement cost of the Improvements, as determined from time to time by Beneficiary, without deduction for depreciation. The amount deductible from the loss payable for any casualty shall be approved by Beneficiary and such deductible shall be the obligation of Grantor. Such policy of insurance shall be maintained for and name Grantor and Beneficiary as insureds, as their respective interests may appear, and shall contain the “replacement cost endorsement,” and a lender’s loss payable endorsement in favor of Beneficiary in form reasonably acceptable to Beneficiary.

(ii) Liability Insurance. Comprehensive commercial general liability insurance, including Products and Completed Operations coverage, on an “occurrence basis” insuring against claims for bodily injury, death or property damage occurring in, on or about the Real Property and Improvements and adjoining streets, sidewalks and passageways arising out of or in any way connected with the use, occupancy, possession, ownership or condition of the same. The limits of such coverage shall be no less than Two Million Dollars (\$2,000,000) per occurrence. Such policy shall insure performance of Grantor’s indemnity obligations under this Deed of Trust and shall name Beneficiary as an additional insured, providing coverage for Beneficiary regardless of whether the asserted claim is also asserted against Grantor.

(iii) Builder’s Risk Insurance. During the course of any construction or repair at the Premises, builder’s risk insurance against all risks of physical loss, on a completed value basis, including collapse and transit coverage, with a deductible approved by Beneficiary, covering the total value of work performed and equipment, supplies and materials furnished, and containing the “permission to occupy upon completion of work” endorsement.

(b) Exculpation; General Provisions Related to All Policies. Neither Trustee nor Beneficiary shall be obligated to obtain insurance, nor be responsible for the collection of any insurance monies or for any insolvency of any insurer or insurance underwriter. All policies of insurance required by this Deed of Trust: (i) shall contain an endorsement or an agreement of the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act of negligence of Grantor or Beneficiary which might otherwise result in forfeiture of said insurance and further waiving all rights of setoff, subrogation, counterclaim or deductions against Beneficiary; (ii) shall be issued in amounts no less than those specified in this section and shall be issued by companies acceptable to Beneficiary; (iii) shall be issued by insurance companies reasonably acceptable to Beneficiary; and (iv) shall contain a provision that such policies will not be cancelled or amended, or be subject to any reduction in the scope or limits of coverage, without at least thirty (30) days prior written notice to Beneficiary.

(c) Delivery of Insurance Policies, Payment of Premiums. Grantor shall furnish Beneficiary with a copy of each policy of insurance required hereunder and a certificate of each policy of insurance required hereunder evidencing the required coverage, each such certificate setting forth the coverage, the limits of liability, the name of the carrier, the policy number and the expiration date. At least thirty (30) days prior to the expiration of each such policy, Grantor shall furnish Beneficiary evidence of the reissuance of such policy continuing insurance in force as required by this Deed of Trust. In the event any such insurance policy or evidence of

payment of premium are not so delivered to Beneficiary as required hereunder, Grantor, by executing this Deed of Trust, specifically requests Beneficiary to obtain and pay for, and Beneficiary may obtain and pay for, such insurance for such risks covering Beneficiary's interest in the Premises (without notice to or demand upon Grantor and without releasing Grantor from any obligation hereunder), and Grantor shall pay all premiums thereon promptly upon demand by Beneficiary, and until such payment is made by Grantor the amount of all such premiums together with interest thereon at the Advance Rate (defined in Section 2.10) from the date of payment by Beneficiary shall be secured by this Deed of Trust.

WARNING

UNLESS YOU (GRANTOR) PROVIDE US (BENEFICIARY) WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY OUR CONTRACT OR LOAN AGREEMENT, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT YOUR INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE WE PURCHASE MAY NOT PAY ANY CLAIM YOU MAKE OR ANY CLAIM MADE AGAINST YOU. YOU MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT YOU HAVE OBTAINED PROPERTY COVERAGE ELSEWHERE.

YOU ARE RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY US. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR CONTRACT OR LOAN BALANCE. IF THE COST IS ADDED TO YOUR CONTRACT OR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING CONTRACT OR LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE YOUR PRIOR COVERAGE LAPSED OR THE DATE YOU FAILED TO PROVIDE PROOF OF COVERAGE.

THE COVERAGE WE PURCHASE MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE YOU CAN OBTAIN ON YOUR OWN AND MAY NOT SATISFY ANY NEED FOR PROPERTY DAMAGE COVERAGE OR ANY MANDATORY LIABILITY INSURANCE REQUIREMENTS IMPOSED BY APPLICABLE LAW.

(d) Casualty Insurance Proceeds. If all or any part of the Premises is damaged or destroyed, then all proceeds of insurance shall be payable and paid to Beneficiary, and the net amount of the same (meaning all such proceeds received by Beneficiary less costs incurred by Beneficiary in the collection thereof, including, without limitation, attorney fees) shall be, at Beneficiary's election and in Beneficiary's sole and absolute discretion, either applied to the Secured Obligations or made available to Grantor to be used to restore the damaged property, as provided below.

(i) Application of Insurance Proceeds to Indebtedness. Any proceeds to be applied to the Secured Obligations shall be applied first against all amounts due

hereunder or under the Note other than principal or interest, second against accrued, unpaid interest on the Note, and third against the principal balance of the Note. No such application shall excuse or reduce the amount of any regular payment required under the terms of any document related to the Secured Obligations. Grantor hereby authorizes and directs any affected insurance company to make payment of such insurance proceeds directly to Beneficiary. If the Premises are materially damaged by a casualty and Beneficiary elects to apply insurance proceeds to the Secured Obligations pursuant to the terms hereof, then Beneficiary, at its option, may elect to accelerate the Secured Obligations and declare the same to be due and payable.

(ii) Disbursement of Insurance Proceeds for Restoration. If Beneficiary elects to permit Grantor to use insurance proceeds to rebuild the Premises, the disbursement of such proceeds shall be made by Beneficiary incrementally as work is completed and subject to such conditions as Beneficiary may impose in its absolute discretion. The proceeds to be made available for restoration will be the net proceeds remaining after deducting all expenses of collection of the proceeds, including attorney fees. The determination of Beneficiary whether to permit restoration will include, among other matters, a determination by Beneficiary, in its sole discretion, that restoration is feasible with the proceeds available and that restoration will result in reconstructed Premises equal in quality and condition to the Premises in existence prior to the destruction and that the value of the Premises as restored will exceed the unpaid balance of the Secured Obligations.

(iii) No Limit on Grantor's Obligations. Nothing herein contained shall excuse Grantor from repairing or maintaining the Premises, as provided in Section 2.3 or restoring all damage or destruction to the same, regardless of the existence, payment or adequacy of insurance proceeds.

(iv) Proof of Loss; Right to Settle. Grantor shall give prompt written notice to Beneficiary of any casualty to all or part of the Real Property or Improvements. Beneficiary may make proof of loss if Grantor fails to do so within thirty (30) days of the casualty, but in all events Beneficiary may make proof of loss within the time period required to protect the rights of the insureds under any policy of insurance if Grantor fails to do so. Beneficiary is authorized at its option to either: (A) settle and adjust any claim under such policies with the consent of Grantor (except that, after any event of default, no consent of Grantor shall be required), or (B) allow Grantor to agree with the insurance company or companies on the amount to be paid upon the loss; and in any case Beneficiary shall, and is authorized to, collect and receipt for any such insurance proceeds; and the reasonable expenses incurred by Beneficiary in the adjustment and collection of insurance proceeds shall be deducted from said proceeds and reimbursed to Beneficiary.

(e) Assignment of Insurance Policies Upon Foreclosure. Grantor assigns to Beneficiary all unearned premiums under all insurance policies required hereunder and agrees that in the event of foreclosure of this Deed of Trust or other transfer of title or assignment of the Premises in extinguishment, in whole or in part of the debt secured hereby, all right, title and interest of Grantor in and to all policies of insurance required hereunder shall inure to the

benefit of and pass to the successor in interest to Grantor or the purchaser or grantee of the Premises.

(f) Waiver and Release. All terms of the Secured Obligations shall be paid and performed without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction.

2.6 Condemnation. The Grantor, immediately upon obtaining knowledge of any contemplated condemnation of the Premises or any portion thereof, or of the institution of any proceeding for the condemnation of the Premises or any portion thereof, shall notify Beneficiary of the pendency thereof. Grantor assigns, transfers and sets over to Beneficiary all compensation, rights of action, the entire proceeds of any award and any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation or by sale in lieu thereof. Beneficiary may, at its option, commence, appear in and prosecute, in its own name, any action or proceeding, or make any compromise or settlement, in connection with such condemnation, taking under the power of eminent domain or sale in lieu thereof. After deducting therefrom all of its expenses, including attorney fees, the net proceeds of the award which have been paid to Beneficiary shall be applied to the payment of the indebtedness secured hereby, or, at the election of Beneficiary, in Beneficiary's sole and absolute discretion, may be made available to Grantor for restoration or rebuilding of the Premises if such restoration is feasible in such a way as to restore the Premises to the same use and at least the condition and quality as the Premises existed prior to the condemnation, the value of which shall exceed the sum of the then unpaid balance of the debt secured hereby. Any such condemnation proceeds made available to Grantor by Beneficiary shall be advanced to Grantor under a disbursement system designated by Beneficiary. To the extent that such proceeds are paid to Beneficiary but are either not made available to Grantor under the preceding sentence, or are not used by Grantor for such purpose within one hundred eighty (180) days, such proceeds shall be applied to the indebtedness and obligations secured hereby in the manner set forth in Section 2.5(d)(i). Beneficiary, at its option, may declare the Secured Obligations to be entirely due and payable if the condemnation materially affects the Premises or the use thereof and the proceeds are not made available to Grantor for rebuilding. Grantor agrees to execute such further assignments of any compensation, award, damages, right of action and proceeds as Beneficiary may require. Notwithstanding the foregoing, in no event shall the terms of this Section 2.6 be deemed to relieve Beneficiary of any liability that may exist pursuant to the PSA (if any) in connection with a breach of Beneficiary's representations and warranties contained therein.

2.7 Liens and Encumbrances. Grantor shall pay, prior to delinquency, all obligations, lawful claims or demands of any person which, if unpaid, might result in, or permit the creation of, a lien or encumbrance on the Premises or any portion thereof, including all claims of contractors, laborers, suppliers and others for work or labor performed or materials or supplies furnished or rented in connection with any work, alteration, improvement of or construction upon the Premises; provided, however, that in the event Grantor disputes the amount or validity of any claim which constitutes a lien or encumbrance on the Premises, Grantor may contest such claim provided, that: (a) Grantor gives to Beneficiary prior written notice of such contest; (b) Grantor causes such lien to be removed, by bond or deposit as allowed by applicable law, from the Premises within fifteen (15) days of the filing of such lien or claim; (c) Beneficiary's interest in the Premises

and/or the lien of this Deed of Trust are not, in Beneficiary's sole opinion, jeopardized thereby; and (d) Grantor promptly pays any amount ultimately determined to be due.

2.8 Indemnification. Grantor shall appear in and defend any suit, action or proceeding that, in the sole judgment of Beneficiary, may affect the value of the Premises, the title to the Premises or the rights and powers of Trustee or Beneficiary. Grantor shall indemnify Beneficiary, the Beneficiary Parties and Trustee from and against any claim, loss, cost, damage or expense (including attorney fees) arising out of or related to this Deed of Trust, the Premises or the condition (whether now existing or hereafter arising) thereof. The indemnity obligations of Grantor shall survive the reconveyance or foreclosure hereof.

2.9 Sale of Premises. In addition to any other right available hereunder, at law or in equity, Beneficiary may declare all sums secured hereby immediately due and payable if, without Beneficiary's prior written consent: (a) Grantor sells, assigns, transfers, conveys, contracts or agrees to sell (as by execution of a land sale contract), enters into a complete lease, a master lease, or a ground lease with respect to, encumbers, mortgages, assigns for security purposes, or otherwise disposes of, hypothecates or alienates, voluntarily or involuntarily, all or any part of the Premises or any interest of Grantor therein, except as allowed under the terms hereof; (b) Grantor suffers title to or any interest in the Premises to be divested, whether voluntarily or involuntarily; (c) if any party comprising Grantor is a partnership (general or limited) or a joint venture and any portion of any general partnership interest of any general partner or joint venture interest of such party is sold, transferred, mortgaged or otherwise disposed; (d) if Grantor is any form of cotenancy and any portion of the interest of any cotenant is sold, transferred, mortgaged or otherwise disposed; (e) if Grantor or any general partner of Grantor or any cotenant of Grantor is a privately held corporation (*i.e.*, a corporation whose stock is not publicly traded on a stock exchange) or a limited liability company and twenty-five percent (25%) or more, in the aggregate, of the capital stock or ownership of any such corporation or limited liability company is sold, transferred, hypothecated or otherwise disposed; or (f) if any party comprising Grantor is a trust, and such trust is dissolved or liquidated or extraordinary distributions of the assets of such trust are made. The foregoing acts are herein referred to as a "Sale" and a Sale without the prior written consent of Beneficiary shall be an Event of Default hereunder. Beneficiary may withhold such consent in its sole and absolute discretion. Any consent by Beneficiary to one Sale shall not constitute a waiver of Beneficiary's rights hereunder with respect to any subsequent Sale. In the event of a Sale which is a conveyance without the prior written approval of Beneficiary, the Beneficiary may, without notice to the Grantor, deal with such successor or successors in interest with reference to this Deed of Trust and the Note in the same manner as with Grantor, without in any way releasing, discharging or otherwise affecting the liability of Grantor hereunder or under the Note or any other document evidencing or securing any Secured Obligation. No Sale shall affect Grantor's obligation to perform each term and provision hereof, nor release Grantor from any liability hereunder.

2.10 Advances. If Grantor shall fail to perform (and such failure continues beyond all applicable notice and cure periods) any of the covenants contained herein, in the Note, in any instrument constituting additional security for the Note, in any Permitted Exception, or in any document evidencing or securing any Secured Obligation, Beneficiary may, but without obligation to do so, make advances to perform same on behalf of Grantor, and all sums so advanced shall be secured by this Deed of Trust. Grantor shall repay on demand all sums so advanced in its

behalf with interest at the rate of eighteen percent (18%) per annum or the highest rate permitted to be charged by applicable law, whichever is the lesser (the "Advance Rate"), from the date of expenditure until the date repaid. Nothing herein contained shall prevent any such failure to perform on the part of Grantor from constituting an Event of Default and no exercise by Beneficiary of any right hereunder shall constitute a waiver of such Event of Default.

2.11 **Time.** Beneficiary, Grantor and Trustee agree that time is of the essence with respect to all their respective obligations under this Deed of Trust.

2.12 **Assignment of Rents, Leases and Income from Operations.** As additional security, Grantor assigns to Beneficiary all rents, income, revenues and profits arising from the Premises, and all of Grantor's right, title and interest in and to the Tenant Leases, including rent, if any, which flow directly from the Premises and all rents, and room rates derived from any operations on the Premises. Grantor shall have the right to collect, retain and use rentals from the Premises prior to an Event of Default. This assignment shall not operate to place the responsibility for the control, care, management, or repair of the Premises upon Beneficiary. Upon an Event of Default, Beneficiary shall have the right, at its election, independently or through a receiver, to collect the rents, income and profits arising from the Premises, without impairing any other right of Beneficiary. Grantor covenants and agrees that it shall promptly and faithfully perform, or cause to be performed, all of the covenants, conditions and agreements contained in all Tenant Leases that may exist from time to time on the part of the lessor thereunder to be kept and performed. Beneficiary shall have no obligation to collect rents or any other items of income or to perform any obligation with respect to any Tenant Lease that may exist from time to time. Following the occurrence of any Event of Default, Beneficiary may require Grantor to hold all rents and any items of income described herein in trust for Beneficiary, without commingling, and deliver the same to Beneficiary. In the event Beneficiary or a receiver collects rents or such items of income, then Grantor irrevocably appoints Beneficiary as its attorney-in-fact, deemed coupled with an interest, to demand, collect, receive, receipt for, sue for and recover all rents and income, to negotiate checks in connection with the foregoing, and to settle or compromise claims related to any Tenant Leases that may exist from time to time.

2.13 **Intentionally Omitted.**

2.14 **Inspections.** Beneficiary, and its agents, representatives and workmen, are authorized, but not obligated, to enter at any reasonable time upon or in any part of the Premises for the purpose of inspecting the same, and for the purpose of performing any of the acts it or Grantor is authorized to perform under the terms of this Deed of Trust.

2.15 **Imposition of Tax.** The enactment of any tax upon this Deed of Trust (whether chargeable against an owner, mortgagee or holder of an indebtedness) or upon all or any part of the Secured Obligations shall constitute an Event of Default, and Beneficiary may exercise any remedy available to it in the case of an Event of Default, unless Grantor: (a) lawfully pays the tax or charge, or reimburses Beneficiary therefor, and (b) agrees, in writing, within thirty (30) days after notice from Beneficiary that the tax law has been enacted, to pay the tax or charge or reimburse Beneficiary therefor.

2.16 **Land Use Matters.** Grantor warrants that: (a) the Real Property and Improvements do and shall at all times comply with the applicable zoning ordinance and comprehensive plan (and any overlay zoning ordinances or other land use control laws and ordinances), and all applicable land use permits and approvals, and (b) the Improvements and uses thereof are and shall be uses permitted as of right. Grantor shall not cause any zone change or comprehensive plan change with respect to the Real Property or the Improvements, submit the Premises to any form of condominium or planned community ownership, cause or allow any subdivision or partition with respect to the Premises or consent to the inclusion of the Premises in a special or local improvement district, without in each instance, obtaining the prior written consent of Beneficiary, which may be withheld by Beneficiary in its sole and absolute discretion.

2.17 **Utilities.** Grantor shall pay or cause to be paid when due all utility charges which are incurred by Grantor or others for the benefit of or for service to the Premises or which may become a charge or lien against the Premises for gas, electricity, water, sewer or other utility services furnished to the Premises and all other assessments or charges of a similar nature, whether public or private, affecting the Premises or any portion thereof.

3. **DEFAULT.**

3.1.1 **Events of Default.** The following, in addition to all other acts, events, and conditions declared to be events of default herein, are events of default hereunder ("Events of Default"):

(a) The occurrence of any event of default with respect to the Note or any other instrument or agreement which evidences or secures any of the Secured Obligations other than this Deed of Trust.

(b) Failure by Grantor to make any payment to Beneficiary when due in accordance with the terms of this Deed of Trust; provided, however, that no more frequently than once in any twelve (12) month period, Beneficiary shall provide Grantor with written notice of a default under this Section 3.1.1.(b) and a five (5) day period after such notice within which to cure the default identified in the notice.

(c) Failure by Grantor to perform any of the terms, covenants and conditions set forth in this Deed of Trust, other than the obligations mentioned in Sections 3.1(a) and (b), within fifteen (15) days of receipt of written notice from Beneficiary regarding the same; provided, however, that if such failure cannot be cured within such fifteen (15) day period despite commercially reasonable efforts, then the cure period shall be extended to provide Grantor with a reasonable opportunity (not to exceed forty-five (45) days) to cure such failure provided that Grantor (i) promptly commence such cure upon notice from Beneficiary, and (ii) diligently pursues completion of such cure until such cure is complete. Notwithstanding the foregoing, Grantor will not be granted a notice and cure period under this subsection (c) that would jeopardize Beneficiary's interest in the Premises or Beneficiary's ability to collect all amounts secured hereby.

(d) Breach of any warranty or representation given by Grantor to Trustee or Beneficiary.

(e) Without implying consent of Beneficiary to the creation of any lien encumbering the Premises, institution of foreclosure or other proceedings (either judicial or nonjudicial) to enforce any security interest or other lien or encumbrance (junior or senior) of any kind upon the Premises or any portion thereof or interest therein.

(f) Grantor or any successor or assign thereof: (i) files a voluntary petition in bankruptcy or for an arrangement or reorganization pursuant to the Federal bankruptcy statutes, or any similar law, state or Federal ("Bankruptcy Proceeding"); (ii) is the object of any involuntary Bankruptcy Proceeding which is not stayed or dismissed within sixty (60) days of filing; (iii) is adjudicated a bankrupt or declared insolvent in any Bankruptcy Proceeding; (iv) has a trustee or receiver appointed for it or has any court take jurisdiction of any of its property in any reorganization, arrangement, dissolution or liquidation proceeding, unless such trustee or receiver is discharged or if such jurisdiction be relinquished or vacated within thirty (30) days of appointment or commencement; or (v) makes an assignment for the benefit of its creditors or consents to an appointment of a receiver or trustee of any of its property.

(g) The occurrence or existence of any default (after passage of any applicable cure period) under any Permitted Exception.

3.2 Remedies. In addition to any other rights and remedies provided herein, in the Note, in any document evidencing or securing the Secured Obligations, or available at law or in equity, Beneficiary shall have the following rights and remedies upon the occurrence of any Event of Default:

(a) Acceleration. Beneficiary, by written notice given to Grantor, may declare the entire principal of the Note then outstanding, and all accrued and unpaid interest thereon, and all other Secured Obligations, to be due and payable immediately.

(b) Possession and Receiver. The Trustee or Beneficiary, personally or by its agents or attorneys, or through a duly appointed receiver, may enter into and upon all or any part of the Premises, and each and every part thereof, and may exclude the Grantor and its agents wholly therefrom; and may possess, use, operate, manage, improve and control the Premises. Trustee or Beneficiary shall be entitled to collect and receive all earnings, revenues, issues, profits and income of the Premises whether or not Beneficiary, Trustee, or a receiver is then in possession of the Premises. Beneficiary shall be entitled to the appointment of a receiver as a matter of right, whether or not the apparent value of the Premises exceeds the indebtedness secured hereby, and any receiver appointed may serve without bond. Employment by Beneficiary shall not disqualify a person from serving as a receiver. The exercise of any right under this Section 3.2(a) shall not be deemed an election of remedies nor a "pending action" so as to preclude the exercise of any other right or remedy.

The amounts borrowed from or advanced by Beneficiary shall bear interest at the Advance Rate from the date of expenditure until repaid, and such amounts and interest shall be an indebtedness of Grantor secured hereby.

(c) Uniform Commercial Code. Beneficiary shall have all of the remedies of a secured party under the Uniform Commercial Code as adopted in the State of Oregon

and any other applicable law. To the extent permitted by law, Grantor expressly waives any notice of sale or other disposition and notice of the exercise of any other right or remedy of Beneficiary arising by reason of an Event of Default hereunder, and to the extent any such notice is required and cannot be waived, Grantor agrees, for the purpose of this paragraph only, that if such notice is mailed, postage prepaid, to the Grantor at the above address at least five (5) days before the time of the sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving of said notice.

(d) Sale. The Trustee may, and upon the written request of Beneficiary, shall, and the Beneficiary may to the extent permitted by law, with or without entry, personally or by its agents or attorneys as far as applicable:

(i) Sell the Premises and otherwise exercise the power of sale granted herein as a nonjudicial foreclosure of this Deed of Trust in the manner provided by applicable laws pertaining to the foreclosure of deeds of trust;

(ii) Institute proceedings for the complete or partial judicial foreclosure of this Deed of Trust as a mortgage in the manner provided by applicable law; and/or

(iii) Apply to any court of competent jurisdiction for the appointment of a receiver for the Premises to operate the same and collect all the earnings, revenues, issues, profits and income therefrom.

(e) Proceeds. In the event of any judicial or nonjudicial foreclosure sale made under or by virtue of Section 3.2(d), the entire outstanding principal of and interest on the Note, if not previously due and payable, and all other sums secured hereby, immediately thereupon shall become due and payable. The proceeds of any sale made under or by virtue of this Section 3.2(e), together with any other sums which then may be held by the Trustee or Beneficiary under this Deed of Trust shall be applied in the manner provided by law. Upon any judicial or nonjudicial sale made under or by virtue of this Section 3.2(e), the Beneficiary may bid for and acquire the Premises or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness of the Grantor secured by this Deed of Trust the net sales price after deducting therefrom the expenses of the sale and the cost of the action and any other sums which the Beneficiary is authorized to deduct under this Deed of Trust.

(f) Tenancy at Will. In the event Grantor remains in possession of the Premises after the same have been sold as provided herein or after Beneficiary otherwise becomes entitled to possession of the same, Grantor shall become a tenant at will of Beneficiary or the purchaser of the Real Property and shall pay, while in possession, a reasonable rental for use of the Real Property and Improvements.

(g) Remedies Not Exclusive. No remedy granted herein is intended to be exclusive of any other remedy provided herein or at law or in equity, but each shall be cumulative. Each such remedy may be exercised singly, collectively or seriatim, and as often as may be deemed expedient by Trustee or Beneficiary. If there exists additional security for the performance of the obligations secured hereby, Beneficiary, at its sole option and without limiting or affecting any rights or remedies hereunder, may exercise any of the rights and remedies to which

it may be entitled hereunder either concurrently with whatever other rights it may have in connection with such other security or in such order as it may determine.

4. MISCELLANEOUS TERMS AND CONDITIONS.

4.1 **Acceptance of Trust; Notice.** The Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is recorded. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless Trustee brings such action.

4.2 **Powers of Trustee.** Trustee or Beneficiary may from time to time apply in any court of competent jurisdiction for aid and direction in the execution of the trusts hereunder and the enforcement of the rights and remedies available hereunder, and Trustee or Beneficiary may obtain orders or decrees directing or confirming acts in the execution of said trusts. Grantor shall pay to Trustee reasonable compensation and reimbursement for services and expenses in the administration of the trusts created hereunder, including reasonable attorney fees, but in no event more than allowed by any applicable statute. Grantor agrees to and does indemnify Trustee and Beneficiary against all losses, claims, demands and liabilities which either may incur, suffer or sustain in the execution of the trusts created hereunder or in the performance of any act required or permitted hereunder or by law.

4.3 **Substitution of Trustee.** By a writing signed and acknowledged by Beneficiary and filed for record in the office of the recorder of the county in which the Real Property is situated, Beneficiary from time to time may appoint another trustee to act in the place and stead of Trustee or any successor.

4.4 **Leases.** In the event Beneficiary shall institute judicial proceedings to foreclose the lien hereof, and shall be appointed as a mortgagee in possession of the Premises, Beneficiary, during such time as it shall be mortgagee in possession, shall have, and Grantor hereby gives and grants to Beneficiary, the right, power and authority to make and enter into leases of the Premises or any portion thereof for such rents and for such periods of occupancy and upon such conditions and provisions as such mortgagee in possession may deem desirable, and Grantor expressly acknowledges and agrees that the term of any such lease may extend beyond the date of any sale of the Premises hereunder, it being the intention of Grantor that, while Beneficiary is a mortgagee in possession of the Premises, Beneficiary shall be deemed to be and shall be the attorney-in-fact of Grantor for the purpose of making and entering into leases of parts or portions of the Premises for the rents and upon the terms, conditions and provisions deemed desirable by Beneficiary. The power and authority hereby given and granted by Grantor to Beneficiary shall be deemed to be coupled with an interest and shall not be revocable by Grantor.

4.5 **Marshaling of Assets.** Grantor hereby expressly waives all rights to require a marshaling of assets by the Trustee or Beneficiary or to require Trustee or Beneficiary to first resort to the sale of any portion of the Premises which might have been retained by Grantor before foreclosing upon and selling any other portion thereof.

4.6 **Nonwaiver.** By accepting payment of any sum secured hereby after its due date or late performance of any obligation secured hereby, Beneficiary shall not waive its right

against any person obligated directly or indirectly hereunder or on any indebtedness hereby secured either to require prompt payment or performance when due of all other sums and obligations so secured or to declare a default for failure to make such payment. No exercise of any right or remedy by Trustee or Beneficiary hereunder shall constitute a waiver of any other right or remedy allowed herein, in any other document evidencing or securing any Secured Obligation, or at law or in equity. No delay or omission of the Trustee or Beneficiary in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

4.7 Rules of Construction. When the identity of the parties or the context of a provision makes it appropriate, the neuter gender shall include the feminine and masculine, and the singular shall include the plural. The headings of each section are for information and convenience only and shall not limit or affect the contents of any provisions hereof.

4.8 Severability. If any term of this Deed of Trust or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Deed of Trust shall not be affected thereby, and each term of this Deed of Trust shall be valid and enforceable to the fullest extent permitted by law.

4.9 Successors in Interest; Joint and Several Liability. Subject to the limitations set forth in Section 2.9, this Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, executors, administrators, successors and assigns. If Grantor is comprised of more than one person or entity, then all obligations of Grantor hereunder are joint and several and each party comprising Grantor agrees and promises to pay the Secured Obligations. The term “Beneficiary” shall mean the holder and owner of the Note secured hereby, whether or not named as Beneficiary herein.

4.10 Notices. All notices to be given pursuant to this Deed of Trust shall be in writing and shall be sufficient if personally delivered or deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, addressed to the party to whom directed at its address shown above. Notices (as distinguished from payments) will be deemed received when personally delivered or two (2) days after deposit in the United States Mail. Any party may change its address set forth herein by giving ten (10) days prior written notice thereof to all other parties.

4.11 Modifications. This Deed of Trust may not be amended, modified or changed except by a written instrument signed by the parties hereto.

4.12 Attorney Fees. If any litigation or arbitration is instituted to enforce or interpret any provision hereof, or to foreclose this Deed of Trust, the prevailing party shall be entitled to collect, in addition to all other amounts and relief, its court costs, title search costs, and other reasonable attorney fees, incurred both at and in preparation for trial and any appeal or review, such amount to be set by the court before which the matter is heard. Without limitation on and in addition to the foregoing, Grantor agrees to reimburse Beneficiary for all such costs and fees which Beneficiary may incur in connection with any bankruptcy or similar proceeding wherein the Grantor, or any guarantor, surety or accommodation party is the “debtor,” including

(without limitation) issues peculiar to Federal bankruptcy law. If Beneficiary is the prevailing party, such costs and attorney fees shall be secured by this Deed of Trust.

4.13 Priority of Trust Deed. The terms of the obligation secured hereby may provide that the interest rate, payment terms or balance due may be indexed, adjusted or renewed. The priority of this Deed of Trust shall not be affected by renegotiation or adjustment of the interest rate provided in the Note (which may increase or decrease the amount of periodic payments or extend or shorten the term of this Deed of Trust), any increase in the underlying obligation as a result of deferment of all or a portion of interest payments and the addition of such payments to the outstanding balance of the obligation, or the execution of new agreements which reflect such changes.

4.14 Commercial Trust Deed. This Deed of Trust is a commercial trust deed and is not a residential trust deed, as the phrase “residential trust deed” is defined in ORS 86.705, and the provisions of ORS 86.705 through 86.815 applicable to the foreclosure of commercial trust deeds shall apply to this Deed of Trust at the option of Beneficiary. Grantor warrants that the loan secured hereby is for commercial purposes and is not for residential, household, personal or consumer purposes.

4.15 Mutual Negotiation. Beneficiary and Grantor confirm that they have mutually negotiated this Deed of Trust and that none of the terms or provisions of this Deed of Trust shall be presumptively construed against either party.

4.16 Report of Real Estate Transaction. Grantor has made or provided for making, or will make or provide for making, on a timely basis, any reports or returns required under Section 6045(e) of the Internal Revenue Code of 1986 as amended (the “Code”) (and any similar reports or returns required by state or local law) relating to the Premises, notwithstanding the fact that the primary reporting responsibility may fall on Beneficiary, counsel for Beneficiary, or another party. Grantor’s obligations under this paragraph will be deemed to be satisfied if proper and timely reports and returns required under this paragraph are filed by a title company or real estate broker involved in the real estate transaction relating to the Premises, but nothing contained herein shall be construed to require such returns or reports to be filed by Beneficiary or counsel for Beneficiary.

4.17 Assignment by Beneficiary. Beneficiary may assign this Deed of Trust in whole or in part to any person and may grant participation in any of its rights under this Deed of Trust, without notice and without affecting Grantor’s liability under this Deed of Trust. In connection with any proposed assignment, participation or similar arrangement, Beneficiary may make available to any person all credit and financial data furnished or to be furnished to Beneficiary by Grantor or any guarantor of the Note. Grantor agrees to provide to the person designated by Beneficiary any information as such person may reasonably require to form a decision regarding the proposed assignment, participation or other arrangement.

[Signature and acknowledgement on the following page.]

Executed as of the date first above written.

GRANTOR:

Arcadia Holdings, LLC,
an Oregon limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____)
County of _____) ss.

This instrument was acknowledged before me this _____ day of December, 2025, by _____, the _____ of **Arcadia Holdings, LLC**, an Oregon limited liability company, on behalf of the company.

NOTARY PUBLIC FOR _____
My Commission Expires: _____

Exhibits:

A – Legal Description

Exhibit A

Legal Description

[See Attachment]

**AKS ENGINEERING & FORESTRY**

12965 SW Herman Road, Suite 100, Tualatin, OR 97062

P: (503) 563-6151

F: (503) 563-6152

AKS Job #11559-01

EXHIBIT**Adjusted Parcel 1 of Partition Plat No. 2020-03**

A portion of Parcel 1 of Partition Plat No. 2020-03, recorded as Instrument Number 2020-5170, Columbia County Records, located in the East One-Half of Section 9, and the West One-Half of Section 10, Township 4 North, Range 1 West, Willamette Meridian, City of St. Helens, Columbia County, Oregon, and being more particularly described as follows:

Commencing at the northwest corner of said Section 10; thence along the north line of said Section 10, South 88°24'43" East 418.70 feet to the northwesterly corner of Book 177, Page 23, Columbia County Records, and Book 178, Page 289, Columbia County Records; thence along the westerly line of said deeds on the following three (3) courses: South 22°44'17" West 226.63 feet, South 67°15'43" East 290.00 feet, South 22°44'17" West 304.86 feet to the southwesterly corner of said deeds and the Point of Beginning; thence along the southerly line of said deeds, South 67°15'43" East 415.00 feet; thence leaving said southerly line, South 60°37'13" East 45.30 feet to the northwesterly right-of-way line of Portland & Western Railroad (50.00 feet from centerline); thence along said northwesterly right-of-way line (variable width from centerline), South 67°15'43" East 25.00 feet; thence continuing along said northwesterly right-of-way line (25.00 feet from centerline), South 22°44'17" West 483.03 feet; thence leaving said northwesterly right-of-way line, North 67°16'05" West 210.28 feet; thence South 22°36'40" West 265.41 feet; thence South 26°39'01" West 74.89 feet; thence South 22°36'40" West 358.39 feet; thence North 67°08'46" West 259.55 feet to the northeasterly corner of Parcel 2 of said Partition Plat No. 2020-03; thence along the northeasterly line of said Parcel 2, North 67°08'46" West 307.77 feet to the northwesterly corner of said Parcel 2; thence leaving said northwesterly corner, North 67°08'46" West 271.82 feet; thence South 23°34'28" West 171.98 feet; thence North 66°11'51" West 132.94 feet; thence North 23°34'28" East 447.31 feet; thence North 66°25'32" West 300.00 feet; thence North 29°41'18" East 252.62 feet to the intersection of the southwesterly right-of-way line of Kaster Road (60.00 feet in width) and the southeasterly right-of-way line of Franklin Street (60.00 feet in width); thence along said southeasterly right-of-way line, North 30°33'22" East 160.00 feet to the northeasterly right-of-way line of Franklin Street; thence leaving said northeasterly right-of-way line, North 82°22'39" East 574.48 feet; thence North 88°22'28" East 492.86 feet to the Point of Beginning.

The above described tract of land contains 29.69 acres, more or less.

The Basis of Bearings for this description are based on said Partition Plat No. 2020-03.

10/23/2025

**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

**OREGON
JANUARY 9, 2007
NICK WHITE
70652LS**

RENEWS: 6/30/26

Exhibit B-3
Environmental Indemnity Agreement

[See Attachment]

ENVIRONMENTAL INDEMNITY AGREEMENT

THIS ENVIRONMENTAL INDEMNITY AGREEMENT (this “Indemnity Agreement”) is executed and delivered as of December ____, 2025 (“Effective Date”), by Arcadia Holdings, LLC, an Oregon limited liability company (“Indemnitor”), to and for the benefit of the City of St. Helens, an Oregon municipal corporation (“Lender”).

RECITALS:

A. Lender has agreed to make a loan available to Indemnitor, as borrower, in the amount of **Two Million Nine Hundred Thirty Two Thousand Five Hundred Sixty Three and 28/100 Dollars** (\$2,932,563.28) (the “Loan”), to finance the acquisition of certain real property located in Columbia County, Oregon (as described more particularly on **Exhibit A** attached hereto, the “Property”).

B. In connection with the Loan, Indemnitor has executed and delivered to Lender a promissory note in favor of Lender of even date herewith (the “Note”) and certain other documents relating to the Loan and the Property (the “Loan Documents”). The Loan Documents include a Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing (the “Deed of Trust”). This Indemnity Agreement is not secured by the Deed of Trust.

C. As a condition to making the Loan, Lender requires that Indemnitor indemnify Lender upon the occurrence of certain events as detailed below.

D. Lender has relied on the statements and agreements contained herein in agreeing to make the Loan.

AGREEMENTS:

In consideration of the Recitals set forth above and hereby incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Indemnitor hereby agrees as follows:

1. **Definitions.** Initially capitalized terms used and not otherwise defined herein shall have the meanings respectively ascribed to them in the Deed of Trust.

2. **Covenants.** Indemnitor shall, during the Term (as defined below):

(a) comply, and cause all other persons on or occupying the Property to comply, with any and all current and future federal, state, and local environmental laws, statutes, rules, regulations, and ordinances as the same shall be amended and modified from time to time, including, but not limited to, requirements under common law, state law, including but not limited to ORS 465.200 et seq.), the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Toxic Substances Control Act (TSCA), the Clean Water Act (CWA), the Clean Air Act (CAA), and all rules and regulations of the U.S. Department of Agriculture, the Environmental Protection Agency and the Food and Drug Administration, as the same relate to produce, pesticides, herbicides,

“hazardous substances,” “hazardous waste,” “toxic substances,” pollutants and contaminants regulated or controlled thereby (“Environmental Laws”);

(b) not install, use, generate, manufacture, store, treat, release or dispose of, nor permit the installation, use, generation, storage, treatment, release or disposal of, hazardous substances, hazardous waste, toxic substances, pesticides, herbicides, pollutants, contaminants and all other substances regulated or controlled by Environmental Laws (“Hazardous Material”) on, under or about the Property, except for Hazardous Material safely and lawfully used in the operation and use of the Property;

(c) promptly after becoming aware of the same, advise Lender in writing of:

(i) any and all proceedings or notices relating to Environmental Laws (“Environmental Proceedings”);

(ii) the presence of any Hazardous Material on, under or about the Property of which Lender has not previously been advised in writing, and which is not otherwise permitted under Section 3(b) above;

(iii) any remedial action taken by, or on behalf of, Indemnitor in response to any Hazardous Material on, under or about the Property or to any Environmental Proceedings of which Lender has not previously been advised in writing;

(iv) the discovery by any Indemnitor of the presence of any Hazardous Material on, under or about any real property adjoining or in the vicinity of the Property of which Lender has not previously been advised in writing; and

(v) the discovery by any Indemnitor of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Property under any Environmental Laws;

(d) provide Lender with copies of all reports, analyses, notices, licenses, approvals, orders, correspondences or other written materials in its possession or control relating to the environmental condition of the Property or real property adjoining the Property or Environmental Proceedings promptly following receipt, completion or delivery of such materials by or to Indemnitor;

(e) not create or permit to continue in existence any lien (whether or not such lien has priority over the lien created by the Deed of Trust) upon the Property imposed pursuant to any Environmental Laws; and

(f) not change or alter the present use of the Property if such change or modification will result in the presence of Hazardous Material on the Property in question at such a level that would increase the potential liability for Environmental Proceedings.

3. **Right of Entry and Disclosure of Environmental Reports.** From the Effective Date through to the date of repayment in full of the Loan (principal and accrued interest) plus one (1)

year (“Term”), Indemnitor hereby grants to Lender, its agents, employees, consultants and contractors, an irrevocable license and authorization to enter upon and inspect the Property at reasonable times and upon reasonable advance notice to avoid adversely impacting Indemnitor’s activities on and about the Property, and conduct such environmental testing, including, without limitation, subsurface testing, soils and groundwater testing, and other tests which may physically invade the Property, as Lender, in its reasonable discretion, determines are necessary or desirable. With respect to invasive testing, such as soil borings, Lender shall consult with Indemnitor in advance of such tests. Lender agrees, however, that it shall not conduct any such testing, unless (a) Lender reasonably believes that such test may disclose the presence or release of Hazardous Material occurring after the Effective Date, (and Lender shall provide to Indemnitor information to support such reasonable belief), or (b) an environmental test conducted by or on behalf of Lender deems further testing necessary. Without limiting the generality of the foregoing, Indemnitor agrees that Lender shall have the right to appoint a receiver to enforce this right to enter and inspect the Property to the extent such authority is provided under applicable law. All reasonable out-of-pocket costs and expenses incurred by Lender in connection with any inspection or testing conducted in accordance with this Section 3 shall be paid by Indemnitor. The results of all investigations and reports prepared by Lender pursuant to this Indemnity Agreement shall be and at all times remain the property of Lender; however, Lender shall make available to Indemnitor upon request copies of all such reports. Lender hereby reserves the right, and Indemnitor hereby expressly authorizes Lender to make available to any party in connection with a sale of the Property by Lender if Lender has succeeded to the ownership thereof (whether through foreclosure, conveyance in lieu thereof or otherwise) any and all reports, whether prepared by Lender or prepared by Indemnitor and provided to Lender (collectively, the “Environmental Reports”) which Lender may have with respect to the Property. Indemnitor consents to Lender notifying any party under such circumstances of the availability of any or all of the Environmental Reports and the information contained therein. Indemnitor further agrees that Lender may disclose such Environmental Reports to any governmental agency or authority if Indemnitor reasonably believes it is required to disclose any matter contained therein to such agency or authority; provided, that Lender shall give Indemnitor at least forty-eight (48) hours prior written notice before so doing unless disclosure is required earlier. Indemnitor acknowledges that Lender cannot control or otherwise assure the truthfulness or accuracy of the Environmental Reports, and that the release of the Environmental Reports, or any information contained therein, to prospective bidders at any foreclosure sale of the Property may have a material and adverse effect upon the amount which a party may bid at such sale. Indemnitor agrees that Lender shall not have any liability whatsoever as a result of delivering any or all of the Environmental Reports or any information contained therein to any third party, and Indemnitor hereby releases and forever discharges Lender from any and all claims, damages, or causes of action arising out of connected with or incidental to the Environmental Reports or the delivery thereof.

4. **Indemnitor’s Remedial Work.** Subject to the provisions of Section 3 above, Indemnitor shall promptly perform, or with respect to the corrective actions described in the Reports, if any, cause to be performed any and all necessary remedial work (“Remedial Work”) in response to any Environmental Proceedings or the presence, storage, use, disposal, transportation, discharge or release of any Hazardous Material under or about any of the Property in accordance with Environmental Laws; provided, however, that Indemnitor shall perform or cause to be performed such Remedial Work so as to minimize any impairment to Lender’s security under the Loan Documents. All Remedial Work shall be conducted:

- (a) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer;
- (b) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, including without limitation the Department of Environmental Quality pursuant to Section 5.C of the PPA (as defined below);
- (c) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities; and
- (d) only following receipt of any required permits, licenses or approvals.

The selection of the Remedial Work contractors and consulting environmental engineer, the contracts entered into with such parties, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) shall each be subject to Lender's prior written approval, which shall not be unreasonably withheld or delayed. In addition, Indemnitor shall submit to Lender, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other Remedial Work contracts and similar information prepared or received by Indemnitor in connection with any Remedial Work, or Hazardous Material relating to the Property. All costs and expenses of such Remedial Work shall be paid by Indemnitor, including, without limitation, the charges of the Remedial Work contractors and the consulting environmental engineer, any taxes or penalties assessed in connection with the Remedial Work and Lender's reasonable out-of-pocket costs incurred in connection with monitoring or review of such Remedial Work. Lender shall have the right but not the obligation to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Environmental Proceedings.

5. Lender acknowledges and agrees that: (a) Indemnitor is party to a Prospective Purchaser Agreement ("PPA") entered into with the Oregon Department of Environmental Quality in the form of an Order on Consent (DEQ No. 25-08) pursuant to ORS 465.327; (b) the PPA will be recorded in the deed records of Columbia County, Oregon upon Indemnitor's acquisition of title to the Property; (b) the PPA relates to the pre-existing environmental matters at the Property; (c) the benefits and burdens of the PPA run with the land; (d) this Indemnity Agreement does not supersede

or replace the PPA as it relates to such pre-existing Hazardous Materials on the Property; and (e) during the Term as defined in this Indemnity Agreement, the use of the Property, including without limitation the performance of any Remedial Work, shall be subject to any applicable requirements of the PPA. **Indemnity.**

Except as provided otherwise herein (including Section 3 above), Indemnitor shall protect, indemnify, defend and hold Lender and any successors to Lender's interest in the Property, and any other person or entity who acquires any portion of the Property at a foreclosure sale or otherwise through the exercise of Lender's rights and remedies under the Loan Documents, and all members, directors, officers, employees and agents of all of the aforementioned indemnified parties, harmless from and against any and all actual or potential claims, liabilities, damages (direct or indirect), losses, fines, penalties, judgments, awards, costs and expenses (including, without limitation, reasonable attorneys' fees and costs and expenses of investigation) (collectively, "Expenses") which arise out of or relate in any way to any breach of any representation, warranty or covenant contained herein, or any Environmental Proceedings arising after the date of this Agreement or any use, handling, production, transportation, disposal, release or storage of any Hazardous Material in, under or on the Property from and after the date of this Agreement, whether by Indemnitor or any other person (save and except for Lender and its successors, assigns, and their agents), including, without limitation:

- (a) all foreseeable and all unforeseeable Expenses arising out of:
 - (i) Environmental Proceedings or the use, generation, storage, discharge or disposal of Hazardous Material by Indemnitor and any agent of Indemnitor;
 - (ii) any residual contamination affecting any natural resource or the environment; or
 - (iii) any exercise by Lender of any of its rights and remedies hereunder; and
- (b) the costs of any required or necessary investigation, assessment, testing, remediation, repair, cleanup, or detoxification of the Property and the preparation of any closure or other required plans.

Indemnitor's liability to the aforementioned indemnified parties shall arise upon the earlier to occur of (1) discovery of any Hazardous Material on, under or about the Property, or (2) the institution of any Environmental Proceedings, and not upon the realization of loss or damage, and Indemnitor shall pay to Lender from time to time, immediately upon request, an amount equal to such Expenses, as reasonably determined by Lender. Indemnitor's liability to the aforementioned indemnified parties shall expire on the one (1) year anniversary of the repayment in full of the Loan, regardless of the date on which such liability arises pursuant to the previous sentence. In addition, in the event any Hazardous Material is removed, or caused to be removed from the

Property, by Indemnitor, Lender or any other person, the number assigned by the U.S. Environmental Protection Agency to such Environmental Proceedings or any similar identification shall in no event be in the name of Lender or identify Lender as a generator, arranger or other designation. The foregoing indemnity shall not include Expenses arising solely from Hazardous Material which (x) first existed on the Property prior to the date when Indemnitor or its affiliates took possession of and operation of the Property pursuant to that certain "License to Enter the Premises" attached as Exhibit B to that certain First Amendment to Purchase and Sale Agreement dated February 19, 2025 between Lender and Arcadia Paper Mills, LLC, an Oregon limited liability company, or (y) first exist on the Property following the date on which the Lender takes title to the Property, whether by enforcement of the Deed of Trust, deed-in-lieu thereof or otherwise.

6. **Remedies Upon Default.** In addition to any other rights or remedies Lender may have under this Indemnity Agreement, at law or in equity, in the event that Indemnitor shall fail to timely comply with any of the provisions hereof, or in the event that any representation or warranty made herein proves to be false or misleading in any material respect, then, in such event, after (i) delivering written notice to Indemnitor, which notice specifically states that Indemnitor has failed to comply with the provisions of this Indemnity Agreement; and (ii) the expiration of the earlier to occur of the sixty (60) day period after receipt of such notice or the cure period, if any, permitted under any applicable law, rule, regulation or order with which Indemnitor shall have failed to comply; provided, Lender shall have the right to provide less than sixty (60) days' written notice in the event Lender determines in its reasonable business judgment that the lapse of sixty (60) days without cure would or could jeopardize the interests of Lender; and provided, further, where Indemnitor is allowed sixty (60) days to cure a failure, such sixty (60) period shall be extended so long as Indemnitor demonstrates that it has promptly commenced cure and is diligently pursuing such cure to completion, but in no event longer than one hundred eighty (180) days. Following the applicable period described in the preceding sentence, Lender may declare an uncured Event of Default under the Loan Documents and exercise any and all remedies provided for therein, and/or do or cause to be done whatever is reasonably necessary to cause the Property to comply with all Environmental Laws and other applicable laws, rules, regulations or orders and the cost thereof shall constitute an Expense hereunder and shall become immediately due and payable without notice and with interest thereon at the Default Rate until paid. Indemnitor shall give to Lender and its agents and employees reasonable access to the Property for the purpose of effecting such compliance and hereby specifically grant to Lender a license, effective upon expiration of the applicable period as described above, if any, to do whatever is necessary to cause the Project to so comply, including, without limitation, to enter the Property and remove therefrom any Hazardous Material or otherwise comply with any Environmental Laws. Any license issued by Indemnitor pursuant to this Section 6 shall terminate at the expiration of the Term, unless extended by mutual written agreement by Indemnitor and Lender.

7. **Obligations.** The obligations set forth herein (including the provisions of Section 3), including, without limitation, Indemnitor's obligation to pay expenses hereunder, are collectively referred to as, the "Environmental Obligations". Except as provided in Section 3, notwithstanding any term or provision contained herein or in the Loan Documents, the Environmental Obligations are unconditional. Indemnitor shall be fully liable for the Environmental Obligations hereunder, and such liability shall not be limited to the original principal amount of the Loan. In the event of more than one Indemnitor the obligations set forth herein shall be joint and several and the

representations and covenants contained herein shall apply to each Indemnitor as if separately stated. Subject to the definition of Term above as applied to any Indemnitor obligation pursuant to this Indemnity Agreement, the Environmental Obligations shall survive the repayment of the Loan and any foreclosure, deed-in-lieu of foreclosure or similar proceedings by or through which Lender or any of its affiliates, nominees, successors or assigns or any other person bidding at a foreclosure sale may obtain title to the Property or any portion thereof. Notwithstanding anything to the contrary herein, the Environmental Obligations shall not include any liability arising from the acts or omissions of Lender as tenant under the Lease or as the owner of the Property prior to Indemnitor's acquisition of the Property from Lender.

8. **Waiver.** No waiver of any provision of this Indemnity Agreement nor consent to any departure by Indemnitor therefrom shall in any event be effective unless the same shall be in writing and signed by Lender and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Indemnitor shall in any case entitle Indemnitor to any other or further notice or demand in similar or other circumstances.

9. **Exercise of Remedies.** Subject to the definition of Term above as applied to any Indemnitor obligation pursuant to this Indemnity Agreement, no failure on the part of Lender to exercise and no delay in exercising any right or remedy hereunder, at law or in equity, shall operate as a waiver thereof, and Lender shall not be estopped to exercise any such right or remedy at any future time because of any such failure or delay; nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise of such right or remedy or the exercise of any other right or remedy.

10. **Assignment.** Lender may assign their interest under this Indemnity Agreement to any successor to its respective interests in the Property or the Loan Documents. This Indemnity Agreement may not be assigned or transferred, in whole or in part, by Indemnitor and any purported assignment by Indemnitor of this Indemnity Agreement shall be void ab initio and of no force or effect.

11. **Counterparts.** This Indemnity Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of such counterparts taken together shall constitute but one and the same instrument.

12. **Governing Law.** This Indemnity Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of Oregon.

13. **Modifications.** This Indemnity Agreement may be amended or modified only by an instrument in writing which by its express terms refers to this Indemnity Agreement and which is duly executed by Indemnitor and consented to in writing by Lender.

14. **Attorneys' Fees.** In the event that either Lender or Indemnitor commences litigation for the interpretation, enforcement, termination, cancellation or rescission of this Indemnity Agreement, or for damages for the breach of this Indemnity Agreement by either Lender or Indemnitor, the

winning party in such event shall be entitled to its reasonable attorneys' fees, court, and other costs incurred in connection therewith.

15. **Interpretation.** This Indemnity Agreement has been negotiated by parties knowledgeable in the matters contained herein, with the advice of counsel, is to be construed and interpreted in absolute parity, and shall not be construed or interpreted against any party by reason of such party's preparation of the initial or any subsequent draft of the Loan Documents or this Indemnity Agreement.

16. **Severability.** If any term or provision of this Indemnity Agreement shall be determined to be illegal or unenforceable, all other terms and provisions in this Indemnity Agreement shall nevertheless remain effective and shall be enforced to the fullest extent permitted by law.

17. **Other Laws.** Nothing in this Indemnity Agreement, and no exercise by Lender of its rights or remedies under this Indemnity Agreement, shall impair, constitute a waiver of, or in any way affect Lender's rights and remedies with respect to Indemnitor under any Environmental Laws, including without limitation, contribution provisions or private right of action provisions under such Environmental Laws.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

The headings of each section herein are for convenience only and do not limit or construe the contents of any provisions of this Indemnity Agreement.

IN WITNESS WHEREOF, Indemnitor has caused this Indemnity Agreement to be executed as of the day and year first above written.

INDEMNITOR:

Arcadia Holdings, LLC,
an Oregon limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT A**Legal Description of Property**

Adjusted Parcel 1 of Partition Plat No. 2020-03

A portion of Parcel 1 of Partition Plat No. 2020-03, recorded as Instrument Number 2020-5170, Columbia County Records, located in the East One-Half of Section 9, and the West One-Half of Section 10, Township 4 North, Range 1 West, Willamette Meridian, City of St. Helens, Columbia County, Oregon, and being more particularly described as follows:

Commencing at the northwest corner of said Section 10; thence along the north line of said Section 10, South 88°24'43" East 418.70 feet to the northwesterly corner of Book 177, Page 23, Columbia County Records, and Book 178, Page 289, Columbia County Records; thence along the westerly line of said deeds on the following three (3) courses: South 22°44'17" West 226.63 feet, South 67°15'43" East 290.00 feet, South 22°44'17" West 304.86 feet to the southwesterly corner of said deeds and the Point of Beginning; thence along the southerly line of said deeds, South 67°15'43" East 415.00 feet; thence leaving said southerly line, South 60°37'13" East 45.30 feet to the northwesterly right-of-way line of Portland & Western Railroad (50.00 feet from centerline); thence along said northwesterly right-of-way line (variable width from centerline), South 67°15'43" East 25.00 feet; thence continuing along said northwesterly right-of-way line (25.00 feet from centerline), South 22°44'17" West 483.03 feet; thence leaving said northwesterly right-of-way line, North 67°16'05" West 210.28 feet; thence South 22°36'40" West 265.41 feet; thence South 26°39'01" West 74.89 feet; thence South 22°36'40" West 358.39 feet; thence North 67°08'46" West 259.55 feet to the northeasterly corner of Parcel 2 of said Partition Plat No. 2020-03; thence along the northeasterly line of said Parcel 2, North 67°08'46" West 307.77 feet to the northwesterly corner of said Parcel 2; thence leaving said northwesterly corner, North 67°08'46" West 271.82 feet; thence South 23°34'28" West 171.98 feet; thence North 66°11'51" West 132.94 feet; thence North 23°34'28" East 447.31 feet; thence North 66°25'32" West 300.00 feet; thence North 29°41'18" East 252.62 feet to the intersection of the southwesterly right-of-way line of Kaster Road (60.00 feet in width) and the southeasterly right-of-way line of Franklin Street (60.00 feet in width); thence along said southeasterly right-of-way line, North 30°33'22" East 160.00 feet to the northeasterly right-of-way line of Franklin Street; thence leaving said northeasterly right-of-way line, North 82°22'39" East 574.48 feet; thence North 88°22'28" East 492.86 feet to the Point of Beginning.

The above described tract of land contains 29.69 acres, more or less.

The Basis of Bearings for this description are based on said Partition Plat No. 2020-03.

10/23/2025



Exhibit B-4
Operating Covenants Agreement

[See Attachment]

OPERATING COVENANTS AND AGREEMENTS (Arcadia Mill Property, St. Helens Industrial Park)

This Operating Covenants and Easements Agreement (“**Agreement**”) is made and entered into effective as of _____, 2025 (“**Effective Date**”), by and between (i) **Arcadia Paper Mills, LLC**, a State of Oregon limited liability company (“**Arcadia**”), and (ii) **The City of St. Helens, Oregon**, an Oregon municipal corporation (“**St. Helens**”). Hereafter, St. Helens and Arcadia are sometimes referred to each as, a “**Party**” and collectively as, the “**Parties**.”

RECITALS

WHEREAS, contemporaneously with the delivery of this Agreement, St. Helens has sold and conveyed to Arcadia the real property legally described on Exhibit A-1 attached hereto (the “**Arcadia Property**”) pursuant to the terms of that certain Purchase and Sale Agreement between St. Helens and Arcadia dated August 30, 2024 (as amended, the “**PSA**”);

WHEREAS, St. Helens owns certain real property adjacent to the Arcadia Property legally described on Exhibit A-2 attached hereto (the “**City Property**”), and St. Helens generally has a right and interest in maintaining certain rights and controls with respect to the land located at the property generally known as the “St. Helens Industrial Business Park,” which includes the Arcadia Property and City Property.

WHEREAS, pursuant to the terms of Section 8 of the PSA, the Parties agreed to execute and deliver at the closing of the sale of the Arcadia Property an agreement regarding the matters set forth in this Agreement.

WHEREAS, in connection with the boundary line adjustment process undertaken to create the Arcadia Property, St. Helens executed and recorded a “Declaration of Easements (Blanket Easement to Use Mill-Serving Improvements)” benefitting and burdening City Property and the Arcadia Property and recorded as Instrument No. _____ in the real property records of the Columbia County (Oregon) Clerk’s Office (the “**Blanket Easement**”). Pursuant to the terms of the Blanket Easement, any “Mill-Serving Improvements” (as defined therein) serving more than just the Arcadia Property must be subject to agreements with the owners of the other served properties regarding the use, maintenance, repair, and replacement of such improvements. This Agreement is intended to serve such purpose with Arcadia for so long as Arcadia owns the Arcadia Property. Upon any “Transfer Event” (as defined in Section 10(c) of this Agreement below), the rights granted to Arcadia pursuant to Sections 1 and 2 of this Agreement shall immediately expire, as provided herein below in greater detail, unless such rights expire earlier by their terms.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the foregoing Recitals, which Recitals are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of mutual covenants contained herein, St. Helens and Arcadia hereby agree as follows:

1. Effluent Clarifier System License.

(a) Grant of Temporary License. Arcadia is hereby granted a temporary license (the “**Effluent Clarifier License**”) to use the primary effluent clarifier and support equipment located upon the City Property, including, without limitation, the pump and piping system supporting the larger effluent clarifier system (collectively, the “**St. Helens Effluent Clarifier System**”). The St. Helens Effluent Clarifier System is located on real property described on Exhibit B attached hereto. The Effluent Clarifier License shall commence on the Effective Date and expire on the earliest to occur of (i) the fifth (5th) anniversary of the Effective Date, (ii) such earlier date as Arcadia may cease its use and operation of the St. Helens Effluent Clarifier System, or (iii) upon any Transfer Event (the “**License Period**”). The Effluent Clarifier License is only granted in connection with the use and operation of the Arcadia Property. Arcadia’s use of the St. Helens Effluent Clarifier System shall not (and shall not in the future be permitted to), at any time, violate the terms, conditions, requirements, and limitations set forth in any permits related to the use, operation, and maintenance of the St. Helens Effluent Clarifier System.

(b) Maintenance of St. Helens Effluent Clarifier System. For so long as Arcadia uses the St. Helens Effluent Clarifier System, Arcadia shall be responsible for all maintenance and repair, at its sole cost and expense, which may be reasonably necessary or appropriate in order to keep such system in good condition and repair. Prior to undertaking any non-emergency maintenance, repair, or replacement work on the St. Helens Effluent Clarifier System, Arcadia shall provide St. Helens with two (2) weeks’ prior written notice of such proposed work; *provided, however*, that if the need for such work could not be reasonably anticipated by a prudent owner more than 2-weeks in advance of the date when such work is to be conducted, Arcadia shall provide the City with as much prior written notice as is reasonably possible under the circumstances. In the event that emergency repair or replacement work is reasonably necessary, such that prior written notice to St. Helens is not reasonably possible, then Arcadia shall provide St. Helens with notice of the work conducted and specific emergency situation that gave rise to such work within twenty four (24) hours after commencing such emergency work. St. Helens shall have the right to either approve proposed work or require such modifications of Arcadia’s proposed maintenance and repair work as St. Helens may deem appropriate in its reasonable discretion (and, to the extent St. Helens is not given notice of any particular item of work until after the work is completed, in such instances St. Helens may advise Arcadia of its disapproval of Arcadia conducting such work in the future). In the event of any breach of Arcadia’s obligations under this Section 1(b), and such breach continues for five (5) business days after St. Helens’ written notice to Arcadia of such breach (provided that no notice shall be required in the event of an emergency), then in addition to the rights and remedies set forth in Section 17 below, St. Helens shall be permitted to engage in all necessary maintenance and repair work and receive immediate reimbursement from Arcadia for such costs and expenses, plus a 10% service charge.

(c) Construction of Arcadia Effluent Clarifier System. During the License Period, Arcadia intends to design and build a new effluent treatment system on the Arcadia Property (the “**Arcadia Effluent Clarifier System**”). The construction, operation, maintenance, repair, and replacement of the Arcadia Effluent Clarifier System will require an easement to connect the discharge of the Arcadia Effluent Clarifier System to the discharge pipe of the St.

Helens Effluent Clarifier System (such easement being discussed in greater detail in subsection (d) below). In no event shall the Arcadia Effluent Clarifier System be allowed to connect to the “input” side of the St. Helens Effluent Clarifier System, and any such system design will not comply with, and will be deemed a violation of, the requirements of this Agreement. The Arcadia Effluent Clarifier System must bypass the St. Helens Effluent Clarifier System and connect to a new system on the “discharge” side of the existing clarifier system, such connection and system being subject to the reasonable prior review and approval by St. Helens, such approval not to be unnecessarily withheld or delayed. In the event that St. Helens has, or anticipates (in its discretion) having the in future, other users utilizing the St. Helens Clarifier System after the Arcadia Clarifier System’s installations and connections to the St. Helens Clarifier System, then Arcadia shall install a separate flow meter so that Arcadia’s effluent can be monitored and billed separately from other users.

(d) Arcadia Effluent Clarifier System to the discharge pipe of the St. Helens Effluent Clarifier System. Arcadia’s connection to (and use of) the St. Helens Effluent Clarifier System shall not (and shall not in the future be permitted to), at any time, violate the terms, conditions, requirements, and limitations set forth in any permits related to the use, operation, and maintenance of the St. Helens Effluent Clarifier System.

(e) Arcadia Effluent Clarifier System-Related Easements. If the terms and conditions of subsection (c) above have been previously complied with, then only in such event upon commencement of construction of the Arcadia Effluent Clarifier Systems St. Helens shall grant to Arcadia (“**Arcadia System Easement**”), for the benefit of the Arcadia Property, the easement attached hereto as Exhibit C. The Arcadia System Easement addresses connecting the Arcadia Effluent Clarifier System to the discharge side of the existing St. Helens Effluent Clarifier System, subject to the terms and limitations set forth in subsection (c) above and the other terms and conditions set forth in the Arcadia System Easement. The Arcadia System Easement will be executed and recorded promptly

2. Water Intake System. Arcadia and St. Helens acknowledge and agree that they have deemed it in the best interests of both parties for St. Helens to delegate to Arcadia, for the duration of the Arcadia Ownership Period, primary operational control over (and use of) the river water intake pumps, screen(s), fresh water clarifiers (Clarifloculators), the fresh water filter plant, and supporting equipment (the “**Water Intake System**”) that provide fire suppression and process water to the Arcadia Property, subject to the terms, conditions, and limitations set forth in this Agreement. The “**Arcadia Ownership Period**” refers to the time period commencing on the Effective Date of this Agreement, and expiring immediately upon the occurrence of any Transfer Event (as defined in Section 10(c) below). All of Arcadia’s rights to control and use the Water Intake System pursuant to the terms of this Section 2 shall immediately expire and be of no further force or effect immediately upon the expiration of the Arcadia Ownership Period, and St. Helens shall assume exclusive control over the use of the Water Intake System at such time. In connection with the assumption of control of the Water Intake System:

(a) Existing Blanket Easement. The Parties acknowledge that the “Pump House Easement” contemplated by the PSA is not necessary because the requisite easement rights have been previously created by the Blanket Easement (such Blanket Easement rights shall be

exercised in accordance with and subject to the terms, conditions, and agreements set forth in this Agreement).

(b) Operational Oversight. Notwithstanding the rights granted to Arcadia pursuant to this Section 2, St. Helens retains all powers (i) to oversee and reasonably manage or direct Arcadia's control and operation of the Water Intake System, (ii) direct the allocation and delivery of water among the properties (other than the Arcadia Property) served by the Water Intake System, and (iii) engage in any maintenance, repair, or replacement activities that St. Helens deems appropriate to protect its Water Intake System, upon reasonable prior notice to Arcadia. Any breach of this subsection (b) by Arcadia, or any failure to permit St. Helens to exercise its retained rights under this subsection (b) in a timely manner, shall constitute a breach of this Agreement allowing St. Helens to (x) resume control over and operation of the Water Intake System for such time as St. Helens deems reasonably necessary, and (y) exercise such other rights and remedies as may exist pursuant to Section 17 below.

(c) Maintenance. Arcadia shall be responsible for all maintenance and repair to the Water Intake System, at its sole cost and expense, which may be reasonably necessary or appropriate in order to keep such Water Intake System in good condition and repair. St. Helens may, from time to time, require that Arcadia engage in such activities as St. Helens in its reasonable discretion may deem appropriate for keeping the Water Intake System in good condition and repair. Prior to undertaking any such maintenance and repair, Arcadia shall provide St. Helens with reasonable prior written notice of such proposed work (and in any event at least two (2) weeks' advance notice, except in the event of an emergency), and St. Helens shall have the right to either approve such proposed work or require such modifications to Arcadia's proposed maintenance and repair work as St. Helens may deem appropriate in its reasonable discretion. In the event of any breach of Arcadia's obligations under this Section 2(c), and such breach continues for five (5) business days after St. Helens' written notice to Arcadia of such breach (provided that no notice shall be required in the event of an emergency), then in addition to the rights and remedies set forth in Section 17 below, St. Helens shall be permitted to engage in all necessary maintenance and repair work and receive immediate reimbursement from Arcadia for such costs and expenses, plus a 10% service charge.

(d) Critical Nature of St. Helens' Rights. Arcadia acknowledges that, because the Water Intake System serves properties other than the Arcadia Property, compliance with the terms and provisions of this Section 2 are of critical importance to St. Helens and breach of the terms of this Section 2 may cause irreparable harm and damages to the parties served by the Water Intake System.

3. Agreement to Supply Water to Arcadia Property.

(a) St. Helens owns a water right issued by and identified in the records of the Oregon Water Resources Department as Water Right Certificate No. =85053, which certificate authorizes certain use of water for industrial purposes at the real property identified therein (the "**City Water Right**"). The transfer of such right is not part of this transaction, and St. Helens is retaining all of its rights under the City Water Right.

(b) Subject to the terms and conditions set forth in this Agreement, St. Helens agrees to provide Arcadia with water supply for use only as fire suppression and process water in connection with the operation of the paper mill located on the Arcadia Property (and no other use shall be permitted), in a maximum amount equal to no more than fifty percent (50%) of the total gallons per day of water supply that, pursuant to the City Water Right, St. Helens is permitted from time to time to draw from the Columbia River and deliver to the Arcadia Property and surrounding parcels of land (such amount of water allowed to be drawn by St. Helens being called the “**City’s River Water Allocation**”). According to the face of the City Water Right, the maximum rate/volume of allowed use is 65.0 cubic feet (approximately Forty Million (40,000,000) gallons per day). To the extent that St. Helens is permitted to draw its maximum allocation, this would result in no more than Twenty Million (20,000,000) gallons per day being available to Arcadia pursuant to the terms of this water supply agreement. Should St. Helens receive notification that the City’s River Water Allocation will be reduced in any given year, such that the maximum amount of water supply available to Arcadia pursuant to the terms of this Section 3(b) will be reduced, then St. Helens agrees to notify Arcadia within five (5) business days of receipt of such notice.

(c) Arcadia’s use and receipt of water supply pursuant to this Section 3, and the provision of water supply to Arcadia pursuant to the terms of this Section 3, shall be subject to all applicable statutes, codes, and other governmental regulations, including without limitation St. Helens Municipal Code Chapter 13 (collectively, “**all Applicable Laws**”). As a condition of receiving utility service, Arcadia shall agree to comply with all ordinances, rules and regulations related to such water service, and provide all requisite application paperwork required by local ordinances. In no event shall St. Helens be obligated to provide water supply pursuant to this Section 3 for any use other than fire suppression and process water in connection with operation of the paper mill on the Arcadia Property, and the right to receive water supply under this Section 3 shall immediately terminate and be of no further force or effect upon the cessation of operation of the paper mill on the Arcadia Property (other than temporary closures during any repair or restoration of the improvements on the Arcadia Property, provided such repair or restoration work is conducted in a continuous and diligent manner).

4. Fire Protection System. The fire protection system located upon the Arcadia Property (the “**Fire Protection Water System**”) is designed for the operation of the paper mill and currently provides fire protection water to that certain adjacent property legally described on Exhibit C, which is currently connected to the Fire Protection Water System (“**Connected 3rd Party Property**”). Arcadia must continue to operate the Water Intake System and the Fire Protection Water System specifically in a manner that continuously provides fire protection water to the Connected 3rd Party Property in the same manner as has been provided to such properties to-date. Arcadia shall only be relieved of its obligation under the previous sentence upon such date and time as Arcadia and all owners of the Connected 3rd Party Property reach an agreement to enable the separation of the Fire Protection Water System from the Connected 3rd Party Property (such agreement shall, among other matters, provide for provision of fire protection water to the Connected 3rd Party Property until the systems are separated and the Connected 3rd Party Property are receiving fire protection water in compliance with all Applicable Laws). Notwithstanding the foregoing, Arcadia’s obligations stated above shall be limited only to using the existing piping from the Arcadia Property to the Connected 3rd Party Property consistent with St. Helens’ current

practices at the Arcadia Property. Arcadia intends, initially, to operate the Fire Protection Water System within the requirements of Factory Mutual insurance, as provided by Arcadia's insurance provider. At all times, Arcadia shall operate the Fire Protection Water System: (i) in accordance with all requirements of its insurance providers insuring the Property from time-to-time, (ii) in accordance with all applicable local and state fire codes and regulations and other Applicable Laws; and (iii) by having on-site and third-party 24/7 fire monitoring. Notwithstanding any provision of this Agreement to the contrary, St. Helens shall have no obligation to oversee Arcadia's use, control, maintenance, repair, and replacement of the Water Intake System and Fire Protection Water System, as all liability and responsibility with respect to such systems shall lie with Arcadia. Notwithstanding the foregoing, if St. Helens requires (in its sole discretion) access to the following items, in order to preserve any legal rights of St. Helens or to protect against any legal liabilities asserted against St. Helens, then in such event Arcadia shall make the following available for St. Helens' review Arcadia's: (i) fire protection monitoring system, (ii) fire protection preventative maintenance logs, and (iii) access to the pump houses and related equipment. Arcadia is solely responsible for, and expressly assumes all liability and obligations arising in connection with, the provision of fire protection water to the Connected 3rd Party Property served by the Fire Protection Water System; Arcadia assumes no responsibility, liability, or obligation with respect to the provision of fire protection water to any property other than the Connected 3rd Party Property. In the event that any interruptions in the Fire Protection Water System service must occur from time to time during the year, on account of necessary maintenance and repair activities, Arcadia will provide St. Helens with reasonable prior notice of such interruptions.

5. Permits.

(a) **Stormwater Permit Compliance.** Arcadia is obligated to comply with all applicable stormwater permitting requirements that may exist from time to time, and Arcadia shall be solely responsible for addressing at its sole cost and expense all matters related thereto (including, without limitation, the overseeing of all active onsite actions needed to comply with the Arcadia Property's stormwater management plan), to maintain documentation regarding the same, and to provide St. Helens with copies of the same on such intervals as the City may require.

(b) With respect to any and all permits held or required in connection with the use and operation of the Arcadia Property (collectively, "**Permits**"), whether held in Arcadia's name or St. Helens', Arcadia shall bear sole liability in connection with any violations of or non-compliance with any such Permits, and shall indemnify and hold harmless St. Helens against all claims, costs, losses, and expenses arising in connection with such violations and non-compliances occurring during the time period when such Permits are being exercised by Arcadia.

6. Indemnity. Arcadia shall indemnify, defend (with counsel reasonably satisfactory to St. Helens), and hold St. Helens and its officers, directors, employees, members, partners, and shareholders (collectively, the "**St. Helens Indemnitees**") harmless from and against any and all claims, damages, losses, liabilities, fees, fines, penalties, actions, causes of action, costs and expenses (including without limitation reasonable attorneys' fees and costs) (collectively, the "**Claims**") to the extent arising from or related to: (i) any violations and/or alleged violations of the National Pollutant Discharge Elimination System (NPDES) permit for the Clarifier System

arising after the Effective Date caused by the acts or omissions of Arcadia (including, without limitation, any costs by St. Helens incurred in responding to verified violations arising during Arcadia's exclusive operation of the Clarifier System); (ii) Arcadia's operation of the Water Intake System and the Fire Protection Water System; (iii) the provision of fire protection water (or failure to provide fire protection water) to the Connected 3rd Party Property served by the Fire Protection Water System, until such time as the Fire Protection Water System is altered and/or replaced in a manner so as to provide that the only real property served by the Fire Protection System is the Arcadia Property; and (iv) any verified violations or non-compliance with any Permits.

7. Notices. Any notice, consent or other communication permitted or required by this Agreement shall be in writing, and shall be given to each party, at the address for such party that is registered with the Oregon Secretary of State as the party's principal place of business in the State (or, in the case of the St. Helens, at the then-current address of the St. Helens city hall offices, attention: City Administrator), in the following manner: (a) personal delivery; (b) reputable overnight delivery service with proof of delivery; (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested; (d) legible facsimile transmission (provided, that documentation of completed transmission is retained); or (e) by PDF attachment to e-mail. Such notice shall be deemed to have been given or delivered upon the date of actual receipt or delivery (or refusal to accept delivery), as evidenced by the notifying party's receipt of written or electronic confirmation of such delivery, refusal, or delivery failure despite use of the correct email notice address, if received by the party to be notified between the hours of 8 a.m. and 5 p.m. Pacific time on any business day, with delivery made after such hours to be deemed received on the following business day.

8. Severability. Invalidity of any of the provisions contained in this Agreement, or of the application thereof to any person by judgment or court order, shall in no way affect any of the other provisions hereof or the application thereof to any other person and the same shall remain in full force and effect.

9. Negation of Partnership. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. Neither Party shall have the right to act as an agent for the other.

10. Transfer or Assignment; Successors and Assigns; Termination of Rights upon Transfer.

(a) In no event shall any of the rights and interests of Arcadia under this Agreement be assignable or otherwise transferrable. The rights and interests under this Agreement may only be exercised by the fee title owner of the Arcadia Property. Following the occurrence of any Transfer Event (as that term is defined below), this Agreement shall immediately terminate and be of no further force and effect; provided, however, that any liability for defaults and/or amounts due and payable pursuant to this Agreement shall survive such termination. The occurrence of any "Transfer Event" (as defined below) without strict adherence to the terms and provisions of this Section 10 shall constitute a default by Arcadia under this Agreement. .

(b) If Arcadia wishes to enter into a transaction or undertake any other action that would cause or result in a Transfer Event, then Arcadia shall provide prior written notice to St. Helens of such proposed transaction or other actions and whether or not the Arcadia Property will be operated as an operational paper mill after giving effect to the Transfer Event.

(c) If the Arcadia Property will be operated as an operating paper mill after giving effect to the Transfer Event, then Arcadia may make a payment of \$1,000,000 to St. Helens (the “**Transfer Fee**”) and St. Helens will undertake the following actions: (i) St. Helens will submit Arcadia’s request to a formal city approval process, and such approval shall not be unreasonably withheld, conditioned, or delayed by St. Helens, provided that Arcadia demonstrate to St. Helens’ reasonable satisfaction the financial and operation capability of the new owner of the Arcadia Property to sustain and operate the mill thereon in accordance with all Applicable Laws and commercially reasonable operating standards; *provided, however*, that such approval shall be subject to all Applicable Laws; (ii) if such approval is granted, it shall be one-time in nature and only be valid with respect to the specific Transfer Event tendered for approval by St. Helens; and (iii) if such approval is granted, St. Helens shall enter into a new written agreement with the new owner of the Arcadia Property (or with Arcadia, if the Transfer Event changes ownership of Arcadia as defined in the definition of “Transfer Event”) containing the same water supply usage rights and limitations (upon essentially the same terms and conditions as are contained in this Agreement, including, without limitation, the requirement that such water supply be used only in connection with operation of the paper mill at the Arcadia Property), and such agreement will also entail terms and conditions regarding the use, operation, and maintenance of the water intake system, effluent systems, and easement or license rights. If St. Helens does not approve the Transfer Event, in its reasonable discretion, then St. Helens shall provide Arcadia with a written determination including reasonably specific details regarding the grounds for such disapproval and guidance on how such disapproval items can be rectified or otherwise addressed, and Arcadia may re-submit its request for approval. If at any point in the approval process Arcadia elects to withdraw its approval request with respect to a Transfer Event, then its \$1,000,000 payment shall be reimbursed immediately by St. Helens.

(d) The terms of subsection (c) shall in no event be deemed to require Arcadia to pay the aforementioned Transfer Fee and submit to the foregoing process with respect to a Transfer Event that will result in the future owner operating a paper mill. Arcadia may request that St. Helens consider approving a Transfer Event in St. Helens’ sole, absolute and exclusive discretion, and such approval shall be subject to such terms, conditions, requirements, and other matters as St. Helens may determine in its sole, absolute, and exclusive discretion. In no event shall Arcadia have any right under this Agreement to challenge or contest such decision; provided, however, that the foregoing shall not be deemed to waive any legal rights of Arcadia arising from sources other than pursuant to this Agreement.

(e) If the Arcadia Property will cease to be operated as an operating paper mill after giving effect to the Transfer Event, then Arcadia may submit a request to St. Helens stating that St. Helens spend between sixty (60) and one hundred twenty (120) days (as determined in St. Helens’ reasonable discretion based upon the course of negotiations) negotiating a new agreement with the proposed new owner of the Arcadia Property (or with Arcadia, if the Transfer Event changes ownership of Arcadia as defined in the definition of “Transfer Event”), which shall

address water supply at the Arcadia Property and such other matters (including, without limitation, the division of responsibilities around operation of all relevant utility and operating systems at and around the Arcadia Property) as St. Helens deems appropriate in its sole, absolute, and exclusive discretion.

(f) For purposes of this Agreement, the term “**Transfer Event**” shall refer to any of the following transactions: any sale, transfer, conveyance, or ground lease of all or any portion of the Arcadia Property, or any sale or other transfer of a controlling ownership interest (whether such transfer or sale is of a direct controlling interest, or an indirect controlling interest) in, or the power to control, Arcadia.

(g) Notwithstanding anything to the contrary in this Agreement, Arcadia may assign or transfer this Agreement, in whole but not in part, without the prior written consent of the other Party, to any “Affiliate of Arcadia” (as defined below); provided, that Arcadia delivers to St. Helens reasonable documentation evidencing the applicable Affiliate relationship within five (5) business days after such permitted affiliate assignment or transfer occurs. Any assignment in accordance with this Section 10(g) shall not relieve Arcadia of its obligations hereunder unless expressly agreed in writing by St. Helens.

The term “**Affiliate of Arcadia**” shall mean, with respect to any specified entity, any other entity that directly or indirectly Controls, is Controlled by, or is under common Control with such specified entity. For purposes of this definition, the term “**Control**” (including, with correlative meanings, the terms “Controlled by” and “under common Control with”) shall mean the possession, directly or indirectly, of the power to solely direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by contract, or otherwise, provided, however, that notwithstanding the foregoing, in no event shall “Control” be deemed to exist if the party holding a controlling ownership interest in Arcadia ceases to own a controlling ownership interest in the proposed “Affiliate.”]

11. Effect of Agreement. This Agreement, including but not limited to any Exhibits which are a part of this Agreement, supersede any prior agreements between the Parties concerning the subject matter hereof, and no oral statements, representations or prior written matter relating to the subject matter hereof, but not contained in this Agreement, shall have any force or effect.

12. Captions And Headings. The captions and headings in this Agreement are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions, or agreements contained herein.

13. Time Period Computation; Time of the Essence. Time is of the essence in performance of the obligations set forth herein. All time periods in this Agreement shall be deemed to refer to calendar days unless the time period specifically references “Business Days.” A “**Business Day**” shall mean any day other than a Saturday, a Sunday, or a federal or an Oregon state holiday, or any local holiday where the County Record’s office in the county where the Arcadia Property is located is closed.

14. Authority. Each Party represents to the other that the person executing this Agreement on its behalf has authority to sign this Agreement on behalf of the corporation, limited

liability company, or other entity for which he or she is signing, and that his or her signature binds said entity to the terms and provisions of this Agreement.

15. Controlling Law; Election to Arbitrate. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Oregon, and exclusive venue shall lie with the state and federal courts located in the State of Oregon. The Parties agree that any and all disputes, claims or controversies or claim arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate arising out of or relating to this Agreement shall be submitted to JAMS, or its successor, for arbitration utilizing JAMS' expedited arbitral rules, for final and binding arbitration. The seat of the arbitration will be Portland, Oregon, and all JAMS arbitration procedures and processes shall be conducted in person in Portland, Oregon. The language to be used in the arbitral proceeding will be English. Judgment upon the award rendered by the Arbitrator(s) may be entered by any court having jurisdiction thereof.

WITHOUT LIMITING THE EFFECT OF THE FOREGOING, IN THE EVENT THAT THE PARTIES' ELECTION TO ARBITRATE IS FOUND TO BE UNENFORCEABLE WITH RESPECT TO ANY DISPUTE, CLAIM, OR CONTROVERSY, THEN ANY LAWSUIT OR OTHER PROCEEDING INITIATED BY A PARTY HERETO UNDER OR WITH RESPECT TO SUCH A DISPUTE, CLAIM, OR CONTROVERSY, THE PARTIES EACH WAIVE ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY.

16. Attorney's Fees. Any party to this Agreement who is the prevailing party in any legal proceeding against any other party brought in connection with this Agreement or transaction shall be entitled to recover court costs and reasonable attorney fees, and all other litigation expenses, including deposition costs, travel and expert witness fees, from the non-prevailing party.

17. Default; Remedies. If there is any violation or threatened violation by any Party of any of the terms, covenants or conditions of this Agreement, the non-defaulting Party shall have all rights available at law or in equity, including without limitation the right to enjoin such violation or threatened violation in a court of competent jurisdiction. All rights and remedies of the Parties under this Agreement are cumulative, and no one of them shall be exclusive of any other. Subject to the terms of this Agreement, a Party shall have the right to enforce, by proceedings at law or in equity, all covenants and agreements now or hereafter imposed or created by the provisions of this Agreement, or any amendment thereto, including the right to prevent or enjoin the violation of any such covenants and agreements and the right to recover damages for such violation.

18. No Waiver. Failure by a Party hereto to enforce any covenant, condition or restriction herein contained, shall not be deemed a waiver of such right on any such future breach of the same or any other covenant, condition, or restriction contained herein.

19. Amendments. This Agreement may be modified or amended, in whole or in part, only by agreement in writing, executed and acknowledged by all Parties hereto. Any such amendments shall only be effective upon recording in the Columbia County (Oregon) Clerk's Office public records.

[Signatures appear on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Arcadia

Arcadia Paper Mills, LLC, a State of Oregon limited liability company

By: _____
Name: _____
Title: _____
Date: _____

St. Helens

The City of St. Helens, Oregon, an Oregon municipal corporation

By: _____
Name: _____
Title: _____
Date: _____

ACKNOWLEDGMENT

STATE OF _____)
 _____)
 COUNTY OF _____)

This record was acknowledged before me on _____ by _____ as
 _____ of **The City of St. Helens, Oregon**, an Oregon municipal corporation.

(SEAL)

Notary Public Signature

 Title of Office

My commission expires: _____

ACKNOWLEDGMENT

STATE OF _____)
 _____)
 COUNTY OF _____)

This record was acknowledged before me on _____ by _____ as
 _____ of **Arcadia Paper Mills, LLC**, a State of Oregon limited liability company .

(SEAL)

Notary Public Signature

 Title of Office

My commission expires: _____

Exhibit A
Legal Description of Arcadia Property

Exhibit B

Clarifier License Parcel

Exhibit C
Arcadia System Easement Form

Exhibit B-5

Bill of Sale

[See Attachment]

Special Warranty Bill of Sale

This Bill of Sale is made as of December __, 2025 (the “**Effective Date**”), by THE CITY OF ST. HELENS, OREGON, an Oregon municipal corporation (“**Seller**”) in favor of ARCADIA PAPER MILLS, LLC, an Oregon limited liability company (“**Arcadia Mills**”). This Bill of Sale is made pursuant to the Real Estate Purchase and Sale Agreement (as subsequently amended and assigned, the “**Agreement**”) dated August 30, 2024, by and between Seller and Arcadia Mills, with Arcadia Mills’ interest as “**Purchaser**” pursuant to the Agreement having been assigned to Arcadia Holdings, LLC (the “**Purchaser**”). As contemplated by the Second Amendment to the Agreement, Purchaser has been permitted to designate Arcadia Mills as the transferee of the “**Personal Property**” (as that term is defined in the Agreement) that is to be conveyed by Seller pursuant of the terms of the Agreement. Any capitalized term used but not defined in this Bill of Sale shall have the meaning set forth in the Agreement.

1. Conveyance. For good and valuable consideration, as contemplated and detailed in the Agreement, the receipt and adequacy of which Seller hereby acknowledges, Seller hereby irrevocably sells, assigns, transfers, conveys, grants, bargains, and delivers to Buyer, all of its right, title, and interest in and to the tangible Personal Property described in the Agreement (“**Tangible Personal Property**”). Seller represents and warrants that Seller: (i) is the owner of the Tangible Personal Property, (ii) is conveying title to all Tangible Personal Property free and clear of all encumbrances, debts, mortgages, attachments, pledges, charges, claims, and liens, and (iii) has the legal right to convey the Property.

2. Disclaimer of Warranties. EXCEPT FOR THE WARRANTIES SET FORTH HEREIN ABOVE, SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER WITH RESPECT TO THE TANGIBLE PERSONAL PROPERTY, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. BY ACCEPTING THIS BILL OF SALE, BUYER ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY REPRESENTATION OR WARRANTY MADE BY SELLER, OR ANY OTHER PERSON ON SELLER'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THE AGREEMENT.

3. Further Assurances. Seller, for itself and its successors and assigns, hereby covenants and agrees that, at any time and from time to time on Buyer's written request, Seller will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be reasonably required by Buyer in order to assign, transfer, set over, convey, assure, and confirm unto and vest in Buyer and its successors and assigns title to the assets sold, conveyed, and transferred by this Bill of Sale.

[Signature Page Follows]

Seller has executed and delivered this Bill of Sale effective as of the Effective Date.

SELLER:

The City of St. Helens, Oregon,
an Oregon municipal corporation

By: _____
Name: _____
Title: _____

Acknowledged and Accepted by:

Arcadia Mills:

Arcadia Paper Mills, LLC
an Oregon limited liability company

By: _____
Name: _____
Title: _____

Acknowledged and Approved by:

Purchaser:

Arcadia Holdings, LLC
an Oregon limited liability company

By: _____
Name: _____
Title: _____

APPOINTMENTS TO ST. HELENS CITY BOARDS AND COMMISSIONS

Item #11.

City Council Meeting ~ December 17, 2025

Pending applications received:

<u>Name</u>	<u>Interest</u>	<u>Date Application Received</u>	<u>Referred by Email To Committee(s)</u>
• Jay Echternach	Planning Commission	11/19/24	11/20/24
• Jeremy Evans	Budget Committee	1/7/25	TBD
• Alana Gilston	Budget Committee	5/16/25	TBD
• Nicole Battista	Budget Committee	10/28/25	TBD
• Brady Preheim	Budget Committee	10/29/25	TBD
• Patrick Birkle	Planning Commission	11/04/25	11/06/25
• Nick Flory	Budget Committee	12/3/25	TBD

Budget Committee (3-year terms)

- Ivan Salas's term expires 12/31/2025. He would like to be reappointed.
- Marissa Swartz resigned. Her term expires 12/31/2026.

Status: A press release was sent out on October 28 with a November 25 deadline. The Council will interview candidates on January 7 during their Regular Session.

Next Meeting: TBD

Recommendation: None at this time.

Parks & Trails Commission (4-year terms)

- Scott Jacobson's term expires 12/31/2025. He would like to be reappointed.
- Dana Lathrope's term expires 12/31/2025. She does not wish to be reappointed.

Status: A press release was sent out on November 25 with a December 23 deadline.

Next Meeting: January 12, 2026

Recommendation: Reappoint Scott Jacobson to another 4-year term on the Parks & Trails Commission.

Planning Commission (4-year terms)

- Jennifer Shoemaker term expires 12/31/2025. She does not wish to be reappointed.

Status: A press release was sent out on October 21 with a November 18 deadline. And we have two applications on file. The Commission will have interviews on January 13.

Next Meeting: January 13, 2026

Recommendation: None at this time.

City of St. Helens
RESOLUTION NO. 1648

**A RESOLUTION ESTABLISHING GUIDELINES FOR THE APPOINTMENT
OF ST. HELENS BOARD, COMMITTEE AND COMMISSION MEMBERS,
SUPERSEDING RESOLUTION NO. 1521**

WHEREAS, the City Council wished to establish the same guidelines for recruitment, interviews and appointments for all City boards, committees and commissions, and adopted Resolution No. 1521 on August 12, 2009; and

WHEREAS, Resolution No. 1521 established general recruitment, selection and appointment guidelines for appointments to the City of St. Helens boards, committees and commissions; and

WHEREAS, the Council wishes to update the guidelines adopted in Resolution No. 1521 to better meet the needs of the City.

**NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF ST. HELENS RESOLVES AS
FOLLOWS:**

1. The City Recorder shall send a press release to the local newspaper of record announcing all board, committee and commission vacancies as they become available. A "vacancy" is defined as an unoccupied position, resulting from a voluntary resignation or involuntary termination. A member whose term expired does not create a vacancy, unless that member is resigning at the end of his/her term or the majority of the board, committee or commission wishes to terminate said member.
2. Any individual or group is encouraged to submit names for consideration to the City.
3. All new applicants shall submit a written application to the City Recorder's Office.
4. Members wishing to continue their appointment for another term will inform the City Recorder but need not submit a new application. If a member has served two consecutive full terms, a press release shall be sent to the local newspaper of record, each subsequent term expiration thereafter, to solicit new applications for that position. The incumbent may be reappointed at the discretion of the interview panel and City board, committee or commission. If an individual has been off a City board, committee or commission for a year or more, they must complete a new application.
5. The recruitment period to the board, committee or commission shall be for a finite period. At the end of the advertising period, the Council liaison shall determine if the pool of candidates is sufficient to continue with the selection process or may continue the recruitment period for a set or unlimited period until it is determined there is a sufficient pool of candidates.
6. The Council liaison to the board, committee or commission shall be responsible to assemble an interview committee. The interview committee shall be responsible to make recommendations via the Council liaison to the Mayor and City Council.
7. Appointments must comply with any ordinances, bylaws, Charter provisions, or state or federal laws concerning the board, committee or commission. In the event of any inconsistency between these policies and a chapter relating to a specific board, committee or commission, the specific chapter shall control.
8. In order to become more familiar with each applicant's qualifications, the interview committee may interview all or a shortlist of applicants for a position. The number of applicants to be interviewed is at the interview committee's discretion. The interview committee also has the discretion to reject

all applications in favor of re-advertising if no applicants are found to be suitable for the board, committee or commission.

9. Reappointments to a City board, committee or commission shall be considered in accordance with the guidelines listed in this section, together with the type of service the individual has already given to the board, committee or commission and his/her stated willingness to continue.
10. Consideration should be given to residents outside the City when the board, committee or commission or function serves residents outside City boundaries.
11. Board, committee or commission members shall not participate in any proceeding or action in which there may be a direct or substantial financial interest to the member, the member's relative or a business with which the member or a relative is associated, including any business in which the member is serving on their board or has served within the previous two years; or any business with which the member is negotiating for or has an arrangement or understanding concerning prospective partnership or employment. Any actual or potential conflict of interest shall be disclosed at the meeting where the action is being taken.
12. Board, committee or commission vacancies are filled by appointment of the Mayor with the consent of Council. Board, committee or commission members shall serve without compensation except the Planning Commission that may receive a monthly stipend at the discretion of the City Council.
13. Individuals appointed to one City board, committee or commission shall not serve on any other City board, committee or commission during the term of their appointment; provided, that the Council may waive this limitation if it is in the public interest to do so.

PASSED AND ADOPTED by the City Council on this 18th day of December, 2013, by the following vote:

Ayes: Locke, Carlson, Conn, Morten, Peterson

Nays: None

/s/ Randy Peterson

Randy Peterson, Mayor

ATTEST:

/s/ Kathy Payne

Kathy Payne, City Recorder

ST. HELENS PUBLIC LIBRARY BOARD MEETING

Monday, November 10, 2025, at 7:15 PM
Virtually over Zoom

APPROVED MINUTES

Members Present

Chair Fatima Salas
Member Jay Echternach
Member Ellen Jacobson
Member Kelsey Knutson
Member Jana Mann
Member Lynn Pettit
Member Erin Wheeldon

Members Absent

Member Rob Dunn
Vice Chair Aaron Martin

Council Liaison in Attendance

N/A

Visitors

None

Staff Present

Library Director Suzanne Bishop
Library Board Secretary Dan Dieter

CALL TO ORDER

Meeting was called to order at 7:16 p.m. by Chair Salas.

VISITOR COMMENTS *Limited to three (3) minutes per speaker.*

No visitor comments.

APPROVAL OF MINUTES

1. Minutes from the regular board meeting, October 13, 2025, were reviewed.

Motion: Upon Member Echternach's motion and Member Pettit's second, the Library Board unanimously approved the regular board meeting minutes dated October 13, 2025. [Yeas: Chair Salas, Member Echternach, Member Jacobson, Member Knutson, Member Mann, Member Pettit, Member Wheeldon; Nays: none]

OLD BUSINESS

2. STRATEGIC PLAN SUBCOMMITTEE REPORT: Library Director Bishop stated that there are plans to connect the subcommittee with a staff member from the State Library who is familiar with strategic planning. There will be a report about that at the next board meeting.

3. MAKERSPACE FUNDRAISING SUBCOMMITTEE REEPORT: Member Echternach stated that he has updated his membership with the Grant Watch website, which lists thousands of foundational grants. This will give access to regional as well as state grant opportunities. The Oregon Community Foundation grants fall into subsets that include community engagement, education, arts and culture, health and wellness, economic and community vitality and homelessness. They give anywhere from \$3,000 to \$50,000 for capital improvement, staffing and even budgets. Director Bishop stated that connection donations through the Friends of the St Helens Public Library (Friends) would work well because they are a 501(c)(3) and can take donations that the City can't because they are a governmental agency.

NEW BUSINESS

4. 2026 MEETING DATE SCHEDULE: The schedule was introduced and the group discussed whether any meeting dates needed to be cancelled. The group agreed that the schedule for next year can remain the same as last year. The meeting calendar will be approved by resolution of the City Council at an upcoming City Council meeting.

LIBRARY DIRECTOR'S REPORT

Director Bishop stated that the library has received an Oregon Heritage grant for \$4,323 that will allow us to have the University of Oregon digitize the issues of the St. Helens Chronicle from 2015 to 2024. We are partnering with the Museum Association for this project, as they own some of the original paper issues. Adult Services Librarian Herren-Kenaga will hand-carry the issues down to the University of Oregon for digitization and will be able to check in with the archivists as well. Tom Myers gave a talk on birding with kids last Saturday that was very successful. There were 35 participants. Tom Myers is a third-grade teacher from Scappoose and has written a book about birding with kids. The Domestic Violence Awareness Month march kicked off from the library courtyard last Saturday. We opened the big gate, and it all worked really well. The Trunk or Treat was cancelled this year, but the packets that were going to be handed out have since been split up between the library, City Hall and the Recreation Department for distribution. We participated in the Kiwanis Children's Fair with our partner the Dolly Parton's Imagination Library program. Youth Librarian Wiersma was able to connect with about 200 people during the activity. We are co-hosting with the Elks for their Warm Welcome program, which collects hats, mittens and coats for distribution to the local Head Start program. We will be holding our first interviews for the newly vacated Library Assistant position next Thursday and Friday. We had 82 applicants. The interview committee will be the Library Director, Library Assistant Karmartsang and Friends of the St. Helens Public Library President Nancy Tarnai. The second set of interviews will be the following Tuesday and will include a tour and a book sorting test. We have inaugurated our weekly email newsletter. This will highlight what's coming up and have little features about something interesting that's happening. We have QR codes that will allow patrons to sign up. We are participating in the 250th, that's the semi quincentennial, of the Declaration of Independence next year. There will be plans to hold events by several groups like the Elks and the Kiwanis, and the library will also have special programming, which might include additions to our Summer Library Challenge. The next quarterly report to City Council will be December 3. This report will be show, for example, how many programs we have held and how many people have been in the library. The City Council will also be voting and changing the requirement for having a semiannual report from each department to an annual report. Federal and State funding are not looking very good right now if the federal government does not open by November 30. It is possible that the state library will have to lay off library services staff. The President's budget essentially zeros out the Institute of Museum and Library Services (IMLS) budget, so there will likely be some negotiating to keep some of those services going

forward. Our Ready to Read grant funding for the reading program next year may be reduced 2.5 – 5 percent. There are two other grant possibilities available through the State Library. One is for accessibility in the library, so with that we might be able to replace the ADA paddles on the south entry doors. It might also allow for adding materials to the collection for patrons with dyslexia, or support for computer literacy. We will be closed Thursday November 27 through Saturday November 29 for the Thanksgiving holiday. I will be gone on November 20 and 21. We received an anonymous note in the suggestion box that appears to be from one of our kiddos. It was very thoughtful and warms the heart.

COUNCIL LIAISON REPORT

No council report available.

OTHER BUSINESS

Member Pettit stated that the Friends of the St. Helens Public Library (Friends) have reorganized, and Nancy Tarnai is the new President, and Nancy Kotkins is the new Secretary. They have updated their brochure and their next meeting is December 3. They are also repairing the little library located behind the courthouse.

Member Jacobson and Member Mann described the local author project. There will be several activities as part of the festival scheduled for next year. There will be three targeted workshops for writers, some write-ins, as well as an anthology celebration and a local author book sale. Member Mann will also run FebWordary, the writing challenge that will replace the activities from the National Novel Writers Month (NaNoWriMo) which the local writer's community no longer supports. There will be a kickoff event and a closing event. It would be helpful if these activities are listed in the new library newsletter. We've talked about the library being the living room of the community and this festival will highlight that. The library will also place the local author material in a special collection that will be housed and available through the library.

SUMMARIZE ACTION ITEMS

Chair Salas described the action items. The subcommittees will continue to meet and report back to the board.

ADJOURNMENT

Chair Salas adjourned the meeting at 7:59 p.m.

Respectfully submitted by,
Dan Dieter
Library Board Secretary

City of St. Helens

Consent Agenda for Approval

CITY COUNCIL MINUTES

Presented for approval on this 17th day of December, 2025 are the following Council minutes:

2025

- Work Session, Executive Session, and Regular Session Minutes dated December 3, 2025

After Approval of Council Minutes:

- ☐ Scan as PDF Searchable
- ☐ Make one double-sided, hole-punched copy and send to Library Reference
- ☐ Minutes related to hearings and deliberations get copied to working file
- ☐ Save PDF in Minutes folder
- ☐ Update file name & signature block on Word document & copy Word document into Council minutes folder in Shared Drive
- ☐ Upload & publish in MuniCode
- ☐ Email minutes link to distribution list
- ☐ Add minutes to HPRMS
- ☐ Add packet and exhibits to HPRMS
- ☐ File original in Vault
- ☐ Update minutes spreadsheet



COUNCIL WORK SESSION

Wednesday, December 03, 2025

DRAFT MINUTES

MEMBERS PRESENT

Mayor Jennifer Massey
Council President Jessica Chilton
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

STAFF PRESENT

John Walsh, City Administrator	Matthew Smith, Police Chief
Kathy Payne, City Recorder	Douglas Treat, Police Lieutenant
Lisa Scholl, Deputy City Recorder	Pati Askelson, Records & Evidence Specialist
Mouhamad Zaher, Public Works Director	Everardo Medina, Code Enforcement Officer
Bishop, Library Director	Suzanne
Jacob Graichen, City Planner	Melanie Payne, Municipal Court Clerk
Aaron Kunders, Water Quality Manager	Gloria Butsch, Finance Director
Crystal King, Communications Officer	Ashley Wigod, Contracted City Attorney
	David Rabbino, Contracted City Attorney

OTHERS

Steve Topaz	Al Petersen
Howard Blumenthal	M. Anderson
Adam	Brady Preheim
Watson	Art Leskowich
Nick Hellmich	

CALL WORK SESSION TO ORDER – 3:00 p.m.

CLEARING CONFUSION AND SETTING THE FACTS STRAIGHT

1. Response to November 5 Visitor Comments

There were no responses to visitor comments from November 5.

VISITOR COMMENTS - *Limited to three (3) minutes per speaker*

- ◆ Al Petersen. Expressed his dissatisfaction with a staff decision concerning a door that would open into the right of way. He represented his viewpoint citing examples where other City-managed doors, like those at City Hall and the Muckle building, open over sidewalks and rights-of-way. Petersen emphasized that his appeal was rooted in precedent, suggesting that the staff's enforcement lacked consistency. He provided documentation to the Council and expressed his wish for the matter to be included in a future regular Council meeting agenda. Petersen raised an issue regarding the enforcement of specific Building Code provisions related to bike rack shelters. He noted the perceived double standard in enforcement, pointing out the City's insistence on covered bike racks for private properties while allegedly not adhering to the same standards for City infrastructure.

- ◆ Howard Blumenthal. Voiced his apprehension over the topic of permitting side-by-sides and ATVs to operate on city streets. He raised substantial safety concerns, linking it to existing challenges with electric motorcycles and e-bikes, noting their tendency to travel off designated trails. His main worry lay with the possible increase in unsafe interactions between these smaller recreational vehicles and larger, everyday vehicles, like trucks, on public roads. He also mentioned the risk of vehicle modifications that could elevate exhaust emissions beyond permitted levels, exposing a need for regulatory caution.
- ◆ Brady Preheim. Read a statement from the Hush podcast made by Vishal Christian, who critiqued Mayor Massey's actions in handling the Sarah Zuber case. The comments insinuated that Mayor Massey's approach to the case was politically motivated. Preheim questioned the transparency surrounding the unredacted Band report that has not been released. He also asked where the report is for tourism since Halloween ended over a month ago.
- ◆ Arthur Leskowich. Brought the Council's attention to enforcement actions taken by the Department of Environmental Quality (DEQ) against the City. Two distinct issues were highlighted: the first, concerns surrounding a construction permit for stormwater control at the Veneer Plant development; the second, issues linked to the Boise Mill Plant's existing permit. Leskowich underscored that the City faced penalties exceeding \$33,000, with certain violations described as exhibiting "extreme negligence" and "blatant disregard" for the fulfillment of permit duties. He suggested that the gravity of these descriptions could warrant a formal discussion on the City's protocol and operational oversight to ensure compliance.
- ◆ Steve Topaz. Shared his worries about persistent issues within the Police Department, notably the alleged staffing shortages and the constrained accessibility of the current police station. He argued that the police force was insufficiently staffed and alleged that the City administration had not fully executed the Council's directive to hire additional officers. Moreover, Topaz expressed skepticism about the plans for a new police station, implying it was an onerous financial burden given the current administrative challenges.

DISCUSSION TOPICS

2. Employee Length of Service Recognition - Pati Askelson (5 Years) and Mouhamad Zaher (5 Years)

Police Chief Smith recognized Records & Evidence Specialist Askelson for her five years of service. He highlighted her work managing the department's records division and property evidence, noting she recently helped the department pass a criminal justice information systems audit. He described her as consistently reliable with a positive attitude.

City Administrator Walsh recognized Public Works Director Zaher for his five years of service, praising his energy and leadership in infrastructure projects, particularly his work on the Waterfront Development project. Zaher expressed gratitude for the opportunity to serve the City and work with the City's team.

3. Quarterly Reports from City Departments/Divisions - Public Works, Library, and Police (Informational)

Mayor Massey acknowledged the update on the Waterfront punch list being 90% complete and praised the reservoir siting study open house for allowing public engagement. She noted another utilities rate open house was scheduled for December.

Regarding the Library report, Mayor Massey highlighted the significant 53% increase in library cards issued (474 cards) compared to 2024. In response to her question about demographic data on library

users, it was noted that many new cardholders are younger people in their thirties and forties, with some using the library for job applications. Councilor Sundeen asked about the expanded makerspace, which was reported to be seeing increased usage, particularly by crafts people preparing for holiday bazaars.

For the Police Department report, Mayor Massey noted the high number of calls for service (3,990) from September 3 to December 3, including welfare checks, suspicious circumstances investigations, 14 suspected overdoses, 85 non-family disturbances, and 84 domestic violence disturbances. She emphasized these statistics demonstrate the need for 24-hour police coverage. The report also mentioned detectives executing two search warrants related to internet crimes against children. Mayor Massey expressed interest in conducting a police staffing study by the end of the first quarter of 2026, as the last one was completed in 2012. Chief Smith agreed to contact Portland State University about possibly having graduate students assist.

4. Review Staff Report regarding WWTP Local Limits Evaluation - *Water Quality Manager Aaron Kunders*

Water Quality Manager Kunders presented information on local limits, which regulate contaminant concentrations that industries can discharge into the wastewater system. He explained that the limits were first established in 2017, and DEQ now requires a reevaluation as part of the permit renewal from December 2024.

Kunders recommended hiring Steve Anderson, who helped develop the City's pretreatment program around 2004 and conducted the 2017 local limits evaluation. Anderson's bid was significantly lower than other consultants, which Kunders attributed to his familiarity with the City's system.

Mayor Massey expressed concerns about the lack of information regarding Anderson's qualifications and experience in the service agreement, including no resume, confirmation of meeting DEQ requirements, project list, or defined deliverables. Kunders vouched for Anderson's experience, noting he does multiple similar evaluations annually. Contracted City Attorney Wigod acknowledged the mayor's concerns and suggested improvements to future contract provisions to better define scope of work and protect the City.

5. Discussion Regarding Frequency of Joint Meetings with Boards and Commissions - *City Planner Jacob Graichen*

City Planner Graichen reported that the Planning Commission recommended reducing joint meetings with City Council from quarterly to annually, preferably early in the calendar year before budget season. He noted other boards and commissions have more recently started joint meetings.

Mayor Massey expressed preference for twice-yearly meetings, feeling that once a year would be too infrequent while quarterly might be excessive given attendance challenges. Council President Chilton emphasized the importance of maintaining the roundtable format that allows commissions to be proactive rather than simply presenting reports. Councilor Gundersen suggested scheduling meetings twice yearly with the option to cancel if unnecessary.

The Council reached consensus to maintain twice-yearly joint meetings when needed, and to cancel the upcoming joint meeting with the Planning Commission scheduled for the following week.

6. Review Request for Leak Adjustment at 196 S. River Street - *City Administrator John Walsh*

Rich Mason, representing the 196 S. River Street property (Yachts Landing) explained that a significant water leak occurred when pipes fell into the river after a hose bib snapped off. The leak was difficult to detect as it was underwater, and was discovered in early July. Mason noted they are being proactive by

installing a flow monitor system that will automatically shut off water and send notifications when leaks are detected. The financial impact on the marina and HOA could be over \$8,000.

Councilors discussed the timeliness of the request, which was submitted in late October for a leak discovered in July. City Recorder Payne clarified that the property owners had been working with Utility Billing before the formal application was submitted. City Administrator Walsh expressed support for the adjustment, noting the property owners had done everything possible to address the issue.

The Council indicated support for approving the leak adjustment at the evening Council meeting.

7. Discussion Regarding Allowing Side-by-Sides in City Limits - *Mayor Jennifer Massey*

Mayor Massey presented a draft ordinance to allow street-legal side-by-sides (UTVs/ATVs) within city limits. She explained this was among the most requested items from constituents before she took office. She described her research process, which included consulting with municipalities that allow these vehicles and requesting review from the former interim police chief, Sheriff Pixley, and current Police Chief Smith. Feedback from other municipalities indicated no increase in accidents or additional police workload in communities allowing these vehicles.

The draft ordinance would require vehicles to be street-legal per state law, with proper insurance, licensing, safety equipment including helmets and safety glasses, and would permit crossing Highway 30 but not driving along it. Operators would need to be at least 18 years old and have proper licensing. The ordinance would establish an annual permit program.

Council President Chilton suggested adding car seat requirements for children and questioned the 18-and-older restriction since 16-year-olds with licenses can drive other vehicles. She also recommended clarifying language about operation during dark hours rather than using "daylight hours" terminology to avoid ambiguity. Chief Smith supported the 18-year age requirement due to safety concerns and noted section eight needed rewording to clarify helmet requirements for all occupants, not just passengers.

The Council directed City Administrator Walsh to revise the ordinance with the suggested changes, have it reviewed by legal counsel, and bring it back for discussion at the second Council meeting in January 2026.

8. Update on Parks and Trails Signage - *Mayor Jennifer Massey*

Mayor Massey pointed out that this was discussed at the joint City Council and Parks and Trails Commission meeting. Councilor Sundeen and Public Works Director Zaher provided an update on the urban trail signage project. The Parks and Trails Commission, particularly led by Jerry Belcher, has been developing a walking trail through the downtown area that visits several city parks. Following the joint meeting, locations for signage were identified, with Columbia View Park selected for the trail's starting point.

Zaher confirmed his department would support the labor and installation of the signage. He noted some delays had occurred because proposed signs were planned for areas under construction in the waterfront. City Administrator Walsh raised concerns about coordinating the trail signage with the existing and planned interpretive signage for the Riverwalk project to prevent cluttering with multiple signs. Zaher agreed to share the proposed signage plan with Walsh and the Council to ensure cohesion.

Parks Commission Vice Chair Howard Blumenthal mentioned that Nob Hill Nature Park would need more detailed signage due to its winding paths, and that many directional markers would be simple stencils on streets.

9. Follow-Up on Potential Amendments to the Parks and Trails Master Plan - *Mayor Jennifer Massey*

Mayor Massey reported that the Parks and Trails Commission requested help with amendments to their master plan, which dates back to the 1990s. Public Works Director Zaher explained that a completely new master plan would cost well over \$100,000 and require outside expertise, similar to other recent major planning efforts.

Councilor Sundeen noted that while the current master plan is comprehensive, the Commission would like to add some items without undertaking a full update. Mayor Massey mentioned other Commission requests, including website updates about the process for creating park friends groups and ensuring the Commission is included in discussions about projects affecting parks.

City Administrator Walsh committed to attending more Parks Commission meetings and supporting their priorities within staffing constraints. The Council acknowledged the Commission's value and agreed with the importance of involving them in relevant City projects.

10. Report from City Administrator John Walsh

- Invited Jeff Yarbor to give an update about properties for sale. Yarbor reported:
 - Market is really slow right now.
 - Millard Road property
 - Will be requesting adjustments to stay out of wetlands and move the pond area.
 - S. 10th Street property
 - It's on solid rock. It would be beneficial to add topsoil to prepare the property for development.
 - Requested a meeting every couple of months to discuss direction.
- Attended strategic planning workshops and is exploring ways to keep planning fresh with consultant Rachael Barry.
- Attended Columbia Economic Team (CET) Board meeting.
- Working with Romano Capital on waterfront development. Meeting with them tomorrow for a 60-day check-in.
- Attended CET and hydropower partners meetings, which highlighted the benefits of hydropower and salmon habitat initiatives. Mayor Massey would like to attend these meetings as well.
- The Growing Greater Oregon business engagement program continues to be successful.
- Staff presented to the Board of Realtors about infrastructure planning and construction.
- He met with Brad Hendrickson about Sand Island camping operations to address concerns about access, safety, and sanitation. He is working with Chief Smith and the Sheriff on training police officers to respond to incidents on Sand Island using the county's boat. An updated report will be given at the January 21 work session.
- Broadband initiatives have attracted \$9.5 million in federal funding and potential private investment of \$38 million.
- A tourism report from Treadway will be given at the next meeting.
- Attended the Wonderland Bazaar on Saturday.
- Meeting with Maul Foster about the Central Waterfront property.
- Bargaining meeting with AFSCME on Friday.
- Toy 'N Joy event on Saturday.
- Parks and Trails Commission meeting on Monday.
- COLPAC meeting next week.
- The police station project is progressing with the Planning Commission meeting scheduled to review the conditional use permit. Mayor Massey asked about police station being locked. Chief

Smith explained that Askelson is doing the job of three different people right now. There is a call button to request assistance.

- There is a pre-application meeting for the Millard Road property development.
- They are getting close to completing Project Arcadia.
- The draft renderings of the new police station were shown, featuring basalt accents and safety features including a panic room.
- A utility rate forum is scheduled for December 11.
- He is meeting with DEQ on December 15 regarding alleged violations. Mayor Massey asked staff to let Council know about these in the future.
- He participated in meetings about inclement weather response for vulnerable populations.
- Budget forecasting shows challenges with reliance on one-time revenues instead of sustainable recurring revenue. The Budget Committee recommended no COLAs and a larger share of tourism revenue. Mayor Massey asked about a strategic plan for forecasting. Walsh said they forecast five years out and it always looks bad. There are more demands for services. He also pointed out that what Graichen is doing right now is unsustainable.
- The Christmas ship event is scheduled for December 13 with Santa appearing at City Hall.

Mayor Massey requested updates on the nuisance fees ordinance (targeted for quarter two 2026).

Referring to Al Petersen's comments, Mayor Massey has not seen an appeal. She questioned how those are handled and if the City is following the same rules as private developers. Public Works Director Zaher responded that the respond to the first is there was miscommunication and he has responded to Petersen. City Planner Graichen spoke about the Development Code and bicycle parking. Private development creates a longer use of for that need, whereas rights-of-ways are not the same. City Administrator Walsh explained that there is a process for administrative appeals.

ADJOURN – 5:09 p.m.

EXECUTIVE SESSION

- Labor Negotiations, under ORS 192.660(2)(d)
- Real Property Transactions, under ORS 192.660(2)(e)
- Exempt Records/Confidential Attorney-Client Privileged Memo, under ORS 192.660(2)(f)
- Consult with Counsel/Potential Litigation, under ORS 192.660(2)(h)

Respectfully transcribed by ClerkMinutes and submitted by Lisa Scholl, Deputy City Recorder.

ATTEST:

Kathy Payne, City Recorder

Jennifer Massey, Mayor

City of St. Helens

CITY COUNCIL

Executive Session Summary

December 3, 2025

Members Present: Jennifer Massey, Mayor
 Jessica Chilton, Council President
 Mark Gundersen, Councilor
 Brandon Sundeen, Councilor
 Russell Hubbard, Councilor

Staff Present: John Walsh, City Administrator
 Kathy Payne, City Recorder

Others: Ashley Wigod, City Attorney with Jordan Ramis PC
 David Rabbino, City Attorney with Jordan Ramis PC (via Zoom 5:16-6:13pm)



At 5:16 p.m., Mayor Massey opened the Executive Session pursuant to the ORS numbers listed below and then gave roll call. Other than Labor Negotiations, representatives of the news media, designated staff, and other persons as approved shall be allowed to attend the Executive Session. All other members of the audience are asked to leave the Council Chambers. Representatives of the news media were specifically directed not to report on or otherwise disclose any of the deliberations or anything said about these subjects during the executive session, except to state the general subject of the session as previously announced. No decision may be made in executive session. Any person in attendance, including the news media, who has a recording device is directed to turn it off.

- **Real Property Transactions**, under **ORS 192.660(2)(e)**
- **Consult with Legal Counsel & Potential/Pending Litigation**, under **ORS 192.660(2)(h)**

6:13 p.m. – David Rabbino left the meeting.

- **Deliberations with persons appointed to carry out Labor Negotiations**, under **ORS 192.660(2)(d)**
- **Exempt Records/Confidential Attorney-Client Privileged Memo**, under **ORS 192.660(2)(f)**
 - Nothing was discussed under this provision.

The Executive Session was adjourned at 6:20 p.m.



ATTEST:

 Kathy Payne, City Recorder

 Jennifer Massey, Mayor

An audio recording of this meeting is archived at City Hall.



COUNCIL REGULAR SESSION

Wednesday, December 03, 2025

DRAFT MINUTES

MEMBERS PRESENT

Mayor Jennifer Massey
 Council President Jessica Chilton
 Councilor Mark Gundersen
 Councilor Russell Hubbard
 Councilor Brandon Sundeen

STAFF PRESENT

John Walsh, City Administrator
 Kathy Payne, City Recorder
 Lisa Scholl, Deputy City Recorder
 Matthew Smith, Police Chief
 Douglas Treat, Police Lieutenant

OTHERS

Arthur Leskowich	Mark Griffin	Phyllis Rice
Mellisa Warner	Mercedes Massey	Paul Deshazer
Nick Flory	James Jackson	Tammy Maygra
Brady Preheim	Terry Massey	Jeff MacDonald
Levi Deshazer	Kalia Deshazer	Jill Johnson
Nick Hellmich	Keith DeSpain	Rob Hamilton
Adam St. Pierre		

CALL REGULAR SESSION TO ORDER – 7:00 p.m.

PLEDGE OF ALLEGIANCE

Mayor Massey began by providing a summary of the earlier work session discussion regarding the proposed side-by-side vehicle ordinance before opening the floor to visitor comments. She explained that the ordinance had been under development since February, had gone through multiple reviews with law enforcement including the interim police chief, Sheriff Pixley, Chief Smith, and Lieutenant Treat. The Council had identified several items needing revision including provisions for child car seats, clarifying Highway 30 crossing points, changing "daylight hours" to specific requirements about headlights, and reconsidering the minimum operator age from 18 to possibly 16 years old.

Mayor Massey indicated that City Administrator Walsh would work with legal counsel to incorporate these revisions, with the goal of presenting an updated draft ordinance for Council review by the second meeting in January 2026, followed by a separate meeting to establish fees.

VISITOR COMMENTS – *Limited to three (3) minutes per speaker*

- ◆ Nick Flory. Expressed support for the ordinance, noting it would benefit the local economy, tourism, and businesses, while also providing convenient transportation with smaller parking footprints.

- ◆ Nick Hellmich. Supported the ordinance but suggested keeping the age limit at 18 due to brain development concerns. He addressed several counterarguments including those about airbags, noting that motorcycles and bicycles don't have them either.
- ◆ Keith DeSpain. Identified himself as co-owner of Columbia River Motorsports and offered his business's support to ensure vehicles would be properly street-legal if the ordinance passed. He noted other cities in Columbia County were adopting similar measures.
- ◆ Jeff MacDonald. Voiced his support, noting that many safety requirements being considered are already standard for ATV operation in recreational areas.
- ◆ Phyllis Rice. Spoke about how ATVs provide mobility and freedom for disabled individuals who might otherwise be homebound, seeing the ordinance as potentially life-changing for such residents. She asked if they will need license plates. Mayor Massey responded that they will not for St. Helens.
- ◆ Jim Jackson. Thanked the Council for their progressive approach, suggesting the ordinance would help refresh St. Helens' image. He also proposed the eventual formation of a side-by-side club and the possibility of developing City property as an ORV site.
- ◆ Brady Preheim. Expressed opposition to the side-by-side ordinance, arguing that local governance of vehicle licenses results in confusing city-specific regulations and suggesting it should be handled at the state level. He advised that residents should petition their state lawmakers for a consistent statewide ordinance. He also critiqued the motivations behind the ordinance, mentioning a recent podcast that he believed was politically motivated, and called for transparency regarding related issues, including the "justice for Sarah Zuber" cause. He felt the motivation behind that campaign was not genuine and politically driven, and criticized the concealment of City-related reports, advocating for their full release.
- ◆ Rob Hamilton. Expressed a neutral position but recommended setting the minimum age at 18 rather than 16, citing incidents of reckless driving he had observed on Firlock Park Street and Gable Road.
- ◆ Adam St. Pierre. Initially joked about opposing the ordinance because he would feel compelled to buy one if it passed. He then shared observations from Moab, Utah, noting that side-by-sides are prevalent there and, according to a conversation he had with a local officer, are not involved in a disproportionate number of accidents. He also pointed out that some individuals involved in City matters have made unsubstantiated and baseless accusations for attention.
- ◆ Mellisa Warner, who owns both a motorcycle and a side-by-side, supported the ordinance, noting that side-by-sides have safety features like roll cages that motorcycles lack, and that they would be more visible due to their lights and accessories.

Chief Smith addressed the Council regarding the side-by-side ordinance, noting that the Police Department was working on language that would restrict Highway 30 driving while still allowing residents to cross at designated points to access businesses like Safeway.

Mayor Massey expressed appreciation to everyone for attending and speaking. Their time is valued.

APPROVE AND/OR AUTHORIZE FOR SIGNATURE

1. Agreement with Steve Anderson for Services to Perform a Technical Evaluation of the Local Limits and Update, if necessary, for the Wastewater Treatment Plant

Motion: Motion made by Council President Chilton and seconded by Councilor Sundeen to approve '1' above.

Mayor Massey expressed concerns about the contract language, noting that while she felt comfortable approving this specific agreement because Anderson had previously worked for the City in 2004 and 2017, she would like future professional service agreements to include more detailed qualifications information, deliverable dates, contingency plans, guaranteed revision support, and conflict of interest disclosures. She indicated she would follow up with an email outlining these suggestions for improving future contracts.

Vote: Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

2. Amendment No. 1 of Agreement with Keller Williams Sunset Corridor Lower Columbia Group for Realtor Services (Extension of Agreement)

Motion: Motion made by Councilor Gundersen and seconded by Councilor Hubbard to approve '2' above.

Vote: Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

CONSENT AGENDA FOR ACCEPTANCE

3. Library Board Minutes dated October 13, 2025

Motion: Motion made by Councilor Sundeen and seconded by Councilor Gundersen to accept '3' above.

Vote: Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

CONSENT AGENDA FOR APPROVAL

4. City Council Minutes dated November 5 and 14, 2025
5. Accounts Payable Bill Lists

Motion: Motion made by Councilor Sundeen and seconded by Councilor Gundersen to approve '4' and '5' above. **Vote:** Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

WORK SESSION ACTION ITEMS**Leak Adjustment at 196 S. River Street (Yacht's Landing)**

Motion: Motion made by Council President Chilton and seconded by Councilor Hubbard to approve the request for a leak adjustment at 196 S. River Street in the amount of \$3,873.83. **Vote:** Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

Frequency of Joint Council/Boards and Commissions Meetings

Motion: Motion made by Councilor Sundeen and seconded by Councilor Gundersen to schedule joint meetings with Council and boards and commissions twice per year beginning in 2026. **Vote:** Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

COUNCIL MEMBER REPORTS

Councilor Sundeen reported...

- Provided a brief history lesson about "Jackass Canyon." The name originated from Joe Watson, a hermit who lived on the bluff property currently for sale by the City from the 1930s through the 1960s. Watson raised donkeys and was known for riding them around town.
- Announced an upcoming vacancy on the Parks and Trails Commission.

Council President Chilton reported...

- Announced a bazaar at Avamere on December 13, 9:00 a.m. – 3:00 p.m.

Councilor Hubbard reported...

- The police station site had been cleaned up and was ready for final paperwork and contracting with the general contractor.

Councilor Gundersen reported...

- Nothing to report.

MAYOR MASSEY REPORTS

- Thanked City staff, particularly City Recorder Payne and Deputy City Recorder Scholl, for preparing for Council meetings.
- Expressed appreciation for the public engagement on the side-by-side ordinance. This type of constructive community input was what she hoped to facilitate when running for office.
- Reaffirmed her commitment to maintain open dialogue with residents both in person and online.

PROACTIVE ITEMS**OTHER BUSINESS****ADJOURN – 7:40 p.m.**

Respectfully transcribed by ClerkMinutes and submitted by Lisa Scholl, Deputy City Recorder.

ATTEST:

Kathy Payne, City Recorder

Jennifer Massey, Mayor



Public Works Operations Manager

DEPARTMENT: Public Works
DIVISION: Operations
SUPERVISOR: Public Works Director
CLASSIFICATION: Exempt (not overtime eligible)
UNION: No
CONFIDENTIAL: Yes

POSITION SUMMARY

The Public Works Operations Manager is a mid-level management position responsible for overseeing the day-to-day operations of the City's Public Works Operations Division, including managing maintenance and repair activities for infrastructure for city roads, sidewalks, storm systems, wastewater systems, water distribution systems, city fleet, ground facilities, and parks.

SUPERVISION RECEIVED

Works under the direction and guidance of the Public Works Director.

SUPERVISION EXERCISED

Exercises direct management of employees in Public Works Operations, Facilities Maintenance, Fleet, and Parks.

ESSENTIAL DUTIES AND RESPONSIBILITIES including the following but not limited to:

- Serves as a member of the Public Works Department management team.
- Plans, organizes, coordinates, supervises, and evaluates programs, plans, services, staffing, equipment, and infrastructure of the Public Works Operations, Parks, and Facility Maintenance Divisions.
- Hiring, training, and evaluating performance of field crews and supervisors within Public Works Operations, Facilities Maintenance, Fleet, and Parks.
- Prepare, recommend, oversee, and monitor Division budgets, track expenditures, and allocate funds for projects and operations.
- Evaluates divisional needs and formulates short and long-range plans to meet needs in all areas of responsibility, including, street, water, wastewater, drainage, fleet, parks and facilities maintenance.
- Coordinates maintenance activities of the City's infrastructure and utilities with other public and private service providers such as various cities, county, state, parks, power, and transportation agencies.
- Supervises the control and use of, and assumes responsibility for all materials, supplies, and equipment used in the maintenance, construction, and repair of city streets, water distribution, wastewater collection, storm drainage, fleet, parks and facilities.
- Advises the Public Works Director in matters relating to Division activities; provides information to various public groups and individuals regarding Public Works operations.
- Leads response to weather-related or infrastructure emergencies.

- Responds to public or other inquiries and complaints relative to divisional policies and procedures.
- Ensuring adherence to safety regulations, permitting requirements, and environmental standards.
- Manages the City water distribution system, collection system, stormwater system, streets, parks, facilities, and fleet. Maintains a variety of records relating to personnel, equipment, supplies, consumption, and reports.
- Determines work procedures, prepares work schedules, and expedites workflow. Examines work for exactness, neatness, and conformance to policies and procedures.
- Monitor performance metrics and identify areas for improvement within Public Works Operations.
- Ensure efficient service delivery across various divisions within the Public Works Department, Facilities Maintenance, and Parks.
- Coordinate and monitor construction or repair projects, including managing contracts with outside contractors.

MINIMUM QUALIFICATIONS

EDUCATION AND EXPERIENCE

- a. Associates degree; AND/OR
- b. Any combination of training and experience that would provide the required knowledge, skills, and abilities.
- c. Equivalent to completion of eight (8) years of increasingly responsible experience in public works, maintenance, fleet management, janitorial services, repair, and operations including two (2) years of which were supervisory in nature and included budgeting experience related to the construction, repair, and maintenance of municipal infrastructure, specifically: water distribution, wastewater collection, street, storm drainage systems, fleet, parks, facilities, and grounds maintenance as well as the operation of maintenance equipment used in the Division.

KNOWLEDGE, SKILLS, AND ABILITIES

- a. Thorough knowledge of equipment, facilities, materials, methods, and procedures used in the construction, operation, and maintenance of public works infrastructure related to street, water, wastewater, storm drainage, fleet, parks, and their associated systems.
- b. Thorough knowledge of City, State, and Federal laws pertaining to Public Works Operations.
- c. Knowledge of fiscal management, including Division budget preparation, expenditure control, and recordkeeping.
- d. Occupational hazards and standard safety precautions and practices.
- e. Skills to effectively supervise and motivate Division staff to meet the City's mission and departmental goals.
- f. Ability to determine priorities and make critical decisions.
- g. Principles and practices of employee supervision, including work planning, assignment review and evaluation, discipline, and the training of staff in work procedures.

- h. Techniques for providing a high level of customer service effectively dealing with the public, vendors, contractors, and City staff.
- i. Modern equipment and communication tools used for business functions and program, project, and task coordination.
- j. Computers and software programs to conduct, compile, and/or generate documentation.

SPECIAL REQUIREMENTS

- Must possess a valid state driver's license or ability to obtain one prior to employment.
- Must be able to maintain a satisfactory driving record.
- A CDL is highly desirable.
- AED/CPR certificate, or the ability to obtain one within 6 months of hire.
- On call availability including afterhours and weekends to respond to public works emergencies, inclement weather, disasters, and infrastructure challenges.

TOOLS AND EQUIPMENT USED

Motorized vehicles and construction equipment including dump truck, pickup truck, utility truck, street sweeper, Jetter/vac truck, CCTV van and equipment, backhoe, saws, pumps, generators, detection devices, and common hand and power tools. Personal computers, including word processing, spreadsheet, database, and computer-aided software; GIS; City vehicle; communication devices.

PHYSICAL DEMANDS

The physical demands herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform these essential job functions.

- **Physical Demands:** While performing the duties of this job, the employee is occasionally required to stand or sit; walk, use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. The employee is occasionally required to climb or balance; stoop, kneel, crouch, or crawl; talk or hear. The employee must occasionally push, pull, lift and/or move up to 50-100 pounds.
- **Vision:** Vision sufficient to read small print, computer screens, and other printed documents. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodation may be made to enable individuals with disabilities to perform the essential functions.

- **Environment:** Employees work in the field and are exposed to loud noise levels, cold and hot temperatures, inclement weather conditions, road hazards, vibration, confining workspace, chemicals, mechanical and/or electrical hazards, and hazardous physical substances and fumes. May be required to wear respiratory equipment. Employees may interact with members of the public or with staff under emotionally stressful conditions while interpreting and enforcing departmental policies and procedures.
- **Working Conditions:**
 - a. Position has normal business hours with occasional attendance at evening meetings and as required.
 - b. Adverse working conditions include exposure to seasonal weather changes including working in inclement weather.
- **Resource Accountability:**
 - a. Responsibility for the proper care of City equipment.
 - b. Records and inventory maintenance related to City fleet and equipment.

EMPLOYEE ACKNOWLEDGMENT

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related, or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

I acknowledge that I have received a copy of the **Public Works Operations Manager** job description. I understand that it is my responsibility to adhere to the Essential Duties and Responsibilities as outlined within this job description.

My signature below is evidence that I have reviewed and concurred that the above detailed job description appropriately describes the work of the position, including essential job functions, the minimum education and experience required of the position, and the physical demands of the position.

Signatures:

Public Works Operations Manager

Date

Print Name: _____

Public Works Director

Date



St. Helens, OR

Expense Approval Register

Item #15.

Packet: APPKT01437 - AP 12.5.25

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 100 - GENERAL FUND					
ACE HARDWARE - ST. HELENS	11.30.25 60176	12/03/2025	MATERIALS ACE ACCT 60176 ...	100-708-52001	36.45
STEVEN LESKIN	00513	12/05/2025	COURT ATTORNEY FEES	100-704-52019	3,000.00
WILCOX	0990932-IN	12/05/2025	FUEL PARKS DEPT	100-708-52022	632.99
PATH POINT MERCHANT SER...	11.1.25-11.3.25 3040	12/05/2025	GENERAL SERVICE MERCHANT...	100-707-52020	312.37
PATH POINT MERCHANT SER...	11.1.25-11.30.25 4520	12/05/2025	UTILITY BILLING MERCHANT ...	100-707-52020	3,531.37
COMCAST	11.21.25	12/05/2025	COMCAST CABLE 877810899...	100-712-52003	2,156.41
MAYA RINTA	11.25.25	12/05/2025	REFUND PUBLIC RECORDS R...	100-000-36002	20.00
OREGON PATROL SERVICE	11711	12/05/2025	COURT SERVICES	100-704-52019	1,056.00
ERSKINE LAW PRACTICE LLC	12.01.25	12/05/2025	CITY PROSECUTOR NOVEMB...	100-704-52019	5,000.23
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1287547 15708510S046	100-705-52023	130.50
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-71887056 15708871S0...	100-705-52023	14.20
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1001554 15708323S046	100-706-52003	102.40
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1287636 15708514S046	100-708-52023	223.60
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1287598 15708512S046	100-708-52023	1,205.10
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-71905273 15708952S0...	100-709-52023	85.00
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1287539 15708509S046	100-715-52023	252.10
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1287601 15708513S046	100-715-52023	275.60
CITY OF ST. HELENS	12.3.25	12/05/2025	TOY AND JOY AUCTION COU...	100-703-52041	100.00
DEREK ANDREW BLITZ	12.3.25	12/05/2025	CUTRIGHT ARBITRATION	100-705-52018	8,220.00
CHARLES AKIN BLITZ	12.3.25	12/05/2025	CUTRIGHT ARBITRATION	100-705-52019	35,740.00
OREGON DEPARTMENT OF R...	12.4.25	12/05/2025	STATE DUII DIVERSION	100-000-20800	455.00
OREGON DEPARTMENT OF R...	12.4.25	12/05/2025	STATE VIOLATION	100-000-20800	477.00
OREGON DEPARTMENT OF R...	12.4.25	12/05/2025	UNITARY	100-000-20800	74.00
OREGON DEPARTMENT OF R...	12.4.25	12/05/2025	STATE MISD	100-000-20800	257.00
OREGON DEPARTMENT OF R...	12.4.25	12/05/2025	STATE COURT FACILITY	100-000-20800	12.00
OREGON DEPARTMENT OF R...	12.4.25	12/05/2025	LEMLA	100-000-20800	4.00
OREGON DEPARTMENT OF R...	12.4.25	12/05/2025	STATE DUII CONVICTION FEE	100-000-20800	284.00
COLUMBIA COUNTY TREASU...	12.4.25	12/05/2025	JAIL ASSESSMENT	100-000-20900	44.00
COLUMBIA COUNTY TREASU...	12.4.25	12/05/2025	COUNTY ASSESSMENT	100-000-20900	177.38
COLUMBIA COUNTY TREASU...	12.4.25	12/05/2025	CITY COURT COSTS DEDUCT...	100-000-36002	-22.14
CHAVES CONSULTING INC	215831	12/05/2025	MONTHLY USER FEE PER USE...	100-702-52019	194.35
ALLSTREAM	21993177	12/05/2025	ALLSTREAM PHONE ACCT 75...	100-712-52010	214.08
ORKIN	285817280	12/05/2025	265 STRAND PEST SERVICE CI...	100-715-52023	130.00
ORKIN	285817390	12/05/2025	265 STRAND PEST SERVICE CI...	100-715-52023	209.00
U.S BANK EQUIPMENT FINA...	568897490	12/05/2025	KYOCERA COPIER CONTRACT...	100-705-52001	188.87
VERIZON	6129028817	12/05/2025	JOHN WALSH	100-701-52001	38.27
VERIZON	6129028817	12/05/2025	HOT SPOT- 8190	100-701-52010	47.12
VERIZON	6129028817	12/05/2025	JOHN WALSH 9898	100-701-52010	40.81
VERIZON	6129028817	12/05/2025	CRYSTAL KING 0621	100-701-52010	38.27
VERIZON	6129028817	12/05/2025	JENNIFER MASSEY 1992	100-703-52001	38.27
VERIZON	6129028817	12/05/2025	BRANDON SUNDEEN 1179	100-703-52001	38.27
VERIZON	6129028817	12/05/2025	MARK GUNDERSEN 1908	100-703-52001	38.27
VERIZON	6129028817	12/05/2025	RUSSELL HUBBARD 1907	100-703-52001	38.27
VERIZON	6129028817	12/05/2025	JESSICA CHILTON	100-703-52001	38.27
VERIZON	6129028817	12/05/2025	PD JETPACK2 8538	100-705-52010	40.81
VERIZON	6129028817	12/05/2025	PD JETPACK1 8886	100-705-52010	40.81
VERIZON	6129028817	12/05/2025	SUZANNE BISHOP 1313	100-706-52003	38.27
VERIZON	6129028817	12/05/2025	GLORI BUTSCH HOT SPOT	100-707-52001	40.81
VERIZON	6129028817	12/05/2025	GLORIA BUTSCH 1986	100-707-52001	38.27
VERIZON	6129028817	12/05/2025	TORY SHELBY 6366	100-708-52010	38.27
VERIZON	6129028817	12/05/2025	CAMERON PAGE 5027	100-708-52010	38.27
VERIZON	6129028817	12/05/2025	RECREATION IPHONE 1068	100-709-52010	38.27
VERIZON	6129028817	12/05/2025	RECREATION CENTER 2566	100-709-52010	38.27

Expense Approval Register

Packet: APPKT01

Item #15.

5

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
VERIZON	6129028817	12/05/2025	REC PHONE 5093	100-709-52010	39.15
VERIZON	6129028817	12/05/2025	RECREATION 1108	100-709-52010	38.27
VERIZON	6129028817	12/05/2025	BUILDING DEPARTMENT IPAD..	100-711-52010	40.81
VERIZON	6129028817	12/05/2025	MIKE DERIOIA 2686	100-711-52010	188.26
VERIZON	6129028817	12/05/2025	DARIN COX 1016	100-712-52010	38.27
METRO PLANNING INC	6817	12/05/2025	WEB GIS	100-710-52001	425.00
CMG OREGON LLC	701938	12/05/2025	NOTICE OF PUBLIC HEARING ...	100-710-52011	120.00
LOCAL GOVERNMENT LAW ...	73376	12/05/2025	COURT OF APPEALS	100-704-52019	385.00
NET ASSETS CORPORATION	95-202511	12/05/2025	ESCROW TITLE SERVICES	100-707-52019	200.00
CULLIGAN	CD3051916	12/05/2025	BOTTLED WATER POLICE	100-705-52001	72.20
COLUMBIA COUNTY COMM. ...	CS10112025	12/05/2025	WORK CREW	100-708-52019	3,375.00
CODE PUBLISHING	GCI0018951	12/05/2025	MUNI CODE WEB UPDATE	100-702-52019	397.50
DONOVAN ENTERPRISES INC	INV0008340	12/05/2025	UTILITY RATE STUDY	100-707-52019	2,450.00
L.N CURTIS AND SONS	INV1013481	12/05/2025	POLICE UNIFORMS	100-705-52002	637.14
L.N CURTIS AND SONS	INV1014002	12/05/2025	POLICE UNIFORMS	100-705-52002	492.11
L.N CURTIS AND SONS	INV1015761	12/05/2025	POLICE UNIFORMS	100-705-52002	111.95
SOLUTIONS YES	INV469565	12/05/2025	POLICE CONTRACT C14576-01	100-705-52001	88.28
LEXIPOL LLC	INVPR11256935	12/05/2025	POLICEONE ACADEMY ANNU...	100-705-52019	2,883.84
XPRESS SOLUTIONS INC	INV-XPR030612	12/05/2025	CARD TRANSACTION FEES M...	100-707-52020	2,958.39
OREGON DEPARTMENT OF R...	L0723989856	12/05/2025	HAZARDOUS SUBSTANCE PO...	100-705-52001	143.00
COLUMBIA COUNTY	SEPT2025	12/05/2025	INSPECTIONS FOR ST. HELENS.	100-711-52015	1,880.00
Fund 100 - GENERAL FUND Total:					82,464.90

Fund: 202 - COMMUNITY DEVELOPMENT

TICOR TITLE	12.4.2025	12/04/2025	ESCROW 360425002817-MJ ...	202-721-52019	596.00
PORTLAND GENERAL ELECTR...	10.27.25-11.25-.25 6248	12/05/2025	2236086248 MILL 1300 KAST...	202-722-52003	46,599.79
AKS ENGINEERING & FOREST...	11559-01-06	12/05/2025	KASTER ROAD ST HELENS 11...	202-722-52019	2,056.25
Fund 202 - COMMUNITY DEVELOPMENT Total:					49,252.04

Fund: 205 - STREETS

ACE HARDWARE - ST. HELENS	11.30.25 60179	12/03/2025	60179 ACE ACCT MATERIALS	205-000-52001	699.37
Fund 205 - STREETS Total:					699.37

Fund: 601 - WATER

ACE HARDWARE - ST. HELENS	11.30.25 60179	12/03/2025	60179 ACE ACCT MATERIALS	601-731-52001	23.99
ACE HARDWARE - ST. HELENS	11.30.25 60180	12/03/2025	MATERIALS ACE ACCT 60180	601-731-52001	52.63
CITY OF COLUMBIA CITY	11.26.25	12/05/2025	001754-001	601-732-52003	95.53
NORTHSTAR CHEMICAL	327471	12/05/2025	SODIUM HYPOCHLORITE 12....	601-732-52083	1,726.10
EAGLE STAR ROCK PRODUCTS..	409622	12/05/2025	ROCK S 16TH STREET WATER	601-731-52001	246.00
VERIZON	6129028817	12/05/2025	JOHN DEWEY 1914	601-732-52010	38.27
LAWRENCE OIL COMPANY	CFSI-31047	12/05/2025	247752 WATER	601-732-52022	177.14
Fund 601 - WATER Total:					2,359.66

Fund: 603 - SEWER

ACE HARDWARE - ST. HELENS	11.30.25 60180	12/03/2025	MATERIALS ACE ACCT 60180	603-735-52001	10.75
ACE HARDWARE - ST. HELENS	11.30.25 60180	12/03/2025	MATERIALS ACE ACCT 60180	603-736-52001	15.69
ACE HARDWARE - ST. HELENS	11.30.25 60180	12/03/2025	MATERIALS ACE ACCT 60180	603-737-52001	99.08
ACE HARDWARE - ST. HELENS	11.30.25 60180	12/03/2025	MATERIALS ACE ACCT 60180	603-737-52001	-17.85
ACE HARDWARE - ST. HELENS	11.30.25 60180	12/03/2025	MATERIALS ACE ACCT 60180	603-737-52001	15.69
SUNSET AUTO PARTS INC - N...	11.30.25	12/05/2025	AUTO PARTS ACCT 6355	603-737-52001	3.19
COLUMBIA RIVER PUD	12.01.25 38633	12/05/2025	38633 594 S 9 ST POWER	603-737-52003	18,938.45
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1008333 15708403S046	603-736-52023	305.30
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1008333 15708403S046	603-737-52023	305.30
ALLSTREAM	21993177	12/05/2025	ALLSTREAM PHONE ACCT 75...	603-736-52010	107.04
ALLSTREAM	21993177	12/05/2025	ALLSTREAM PHONE ACCT 75...	603-737-52010	107.04
ENVIRONMENTAL BUSINESS ...	44058	12/05/2025	SECONDARY LAGOON SLUDG...	603-737-52019	12,977.00
VERIZON	6129028817	12/05/2025	SAM ORTIZ 1801	603-736-52010	19.13
VERIZON	6129028817	12/05/2025	AARON KUNDERS 6376	603-736-52010	19.13
VERIZON	6129028817	12/05/2025	TYLER HILLS 6492	603-736-52010	19.13
VERIZON	6129028817	12/05/2025	SAM ORTIZ 1801	603-737-52010	19.14
VERIZON	6129028817	12/05/2025	TYLER HILLS 6492	603-737-52010	19.14
VERIZON	6129028817	12/05/2025	AARON KUNDERS 6376	603-737-52010	19.14
Fund 603 - SEWER Total:					32,981.49

Expense Approval Register

Packet: APPKT01

Item #15.

5

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 703 - PW OPERATIONS					
ACE HARDWARE - ST. HELENS	11.30.25 60181	12/03/2025	ACE MATERIALS ACCT 60181	703-734-52001	39.57
LES SCHWAB TIRE CENTER	000104220	12/05/2025	FLAT TIRE REPAIR	703-739-52099	20.99
LAWRENCE OIL COMPANY	067097	12/05/2025	DIESEL FUEL	703-734-52022	191.25
INEXPENSIVE TREE CARE NW ...	06734-I	12/05/2025	REMOVE 3 LARGE CEDAR TR...	703-733-52019	4,000.00
SUNSET AUTO PARTS INC - N...	11.30.25	12/05/2025	AUTO PARTS ACCT 6355	703-739-52099	53.88
HUDSON GARBAGE SERVICE	12.01.25	12/05/2025	2046-1287555 15708511S046	703-734-52023	105.60
COLUMBIA RIVER FIRE AND ...	12.03.25	12/05/2025	SHARED COST JOINT MAINT ...	703-739-52099	774.76
OREGON ASSOCIATION OF ...	40872	12/05/2025	INDIVIDUAL MEMBERSHIP - S...	703-734-52018	100.00
VERIZON	6129028817	12/05/2025	SHARON DARROUX 0813	703-733-52010	38.27
VERIZON	6129028817	12/05/2025	BASHAR 1971	703-733-52010	38.27
VERIZON	6129028817	12/05/2025	BUCK TUPPER 3371	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	BRETT LONG 3607	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	PW UTILITY 2 9923	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	JULIAN ZIRKLE 629	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	PW UTILITY 1 9922	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	SCOTT WILLIAMS 0621	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	BASHAR AL-DAOMI I PAD	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	ALEX BIRD 9081	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	CURT LEMONT 2217	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	ALEX BIRD 2000	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	PW SPARE 4 8741	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	ETHAN STERLING 6282	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	PUBLIC WORKS 8523	703-734-52010	125.75
VERIZON	6129028817	12/05/2025	PW FACILITY MAINTENANCE ...	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	MOUHAMAD ZAHER 3068	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	PW OPERATIONS 3856	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	PW ENGINEERING 0940	703-734-52010	40.81
VERIZON	6129028817	12/05/2025	RYAN POWERS 7116	703-734-52010	38.27
VERIZON	6129028817	12/05/2025	PW UTILITY 3 9924	703-734-52010	40.81
METRO PLANNING INC	6817	12/05/2025	WEB GIS	703-733-52019	425.00
LAWRENCE OIL COMPANY	CFSI-31047	12/05/2025	247748 PUBLIC WORKS	703-734-52022	1,515.24
COLUMBIA COUNTY COMM. ...	CS10112025	12/05/2025	WORK CREW	703-734-52019	750.00
Fund 703 - PW OPERATIONS Total:					8,890.30
Fund: 706 - PUBLIC SAFETY					
OTAK INC	000122500008	12/05/2025	PUBLIC SAFETY BUILDING	706-000-52019	1,801.91
Fund 706 - PUBLIC SAFETY Total:					1,801.91
Grand Total:					178,449.67

Fund Summary

Fund	Expense Amount
100 - GENERAL FUND	82,464.90
202 - COMMUNITY DEVELOPMENT	49,252.04
205 - STREETS	699.37
601 - WATER	2,359.66
603 - SEWER	32,981.49
703 - PW OPERATIONS	8,890.30
706 - PUBLIC SAFETY	1,801.91
Grand Total:	178,449.67

Account Summary

Account Number	Account Name	Expense Amount
100-000-20800	Court - State Assessment	1,563.00
100-000-20900	Court - County Assessm...	221.38
100-000-36002	Fines - Court	-2.14
100-701-52001	Operating Supplies	38.27
100-701-52010	Telephone	126.20
100-702-52019	Professional Services	591.85
100-703-52001	Operating Supplies	191.35
100-703-52041	Community Support	100.00
100-704-52019	Professional Services	9,441.23
100-705-52001	Operating Supplies	492.35
100-705-52002	Personnel Uniforms Equ...	1,241.20
100-705-52010	Telephone	81.62
100-705-52018	Professional Developme...	8,220.00
100-705-52019	Professional Services	38,623.84
100-705-52023	Facility Maintenance	144.70
100-706-52003	Utilities	140.67
100-707-52001	Operating Supplies	79.08
100-707-52019	Professional Services	2,650.00
100-707-52020	Bank Service Fees	6,802.13
100-708-52001	Operating Supplies	36.45
100-708-52010	Telephone	76.54
100-708-52019	Professional Services	3,375.00
100-708-52022	Fuel	632.99
100-708-52023	Facility Maintenance	1,428.70
100-709-52010	Telephone	153.96
100-709-52023	Facility Maintenance	85.00
100-710-52001	Operating Supplies	425.00
100-710-52011	Public Information	120.00
100-711-52010	Telephone	229.07
100-711-52015	Intergovernmental Servi...	1,880.00
100-712-52003	Utilities	2,156.41
100-712-52010	Telephone	252.35
100-715-52023	Facility Maintenance	866.70
202-721-52019	Professional Services	596.00
202-722-52003	Utilities	46,599.79
202-722-52019	Professional Services	2,056.25
205-000-52001	Operating Supplies	699.37
601-731-52001	Operating Supplies	322.62
601-732-52003	Utilities	95.53
601-732-52010	Telephone	38.27
601-732-52022	Fuel	177.14
601-732-52083	Chemicals	1,726.10
603-735-52001	Operating Supplies	10.75
603-736-52001	Operating Supplies	15.69
603-736-52010	Telephone	164.43
603-736-52023	Facility Maintenance	305.30
603-737-52001	Operating Supplies	100.11
603-737-52003	Utilities	18,938.45

Account Summary

Account Number	Account Name	Expense Amount
603-737-52010	Telephone	164.46
603-737-52019	Professional Services	12,977.00
603-737-52023	Facility Maintenance	305.30
703-733-52010	Telephone	76.54
703-733-52019	Professional Services	4,425.00
703-734-52001	Operating Supplies	39.57
703-734-52010	Telephone	837.47
703-734-52018	Professional Developme...	100.00
703-734-52019	Professional Services	750.00
703-734-52022	Fuel	1,706.49
703-734-52023	Facility Maintenance	105.60
703-739-52099	Equipment Operations	849.63
706-000-52019	Professional Services	<u>1,801.91</u>
	Grand Total:	178,449.67

Project Account Summary

Project Account Key	Expense Amount
None	<u>178,449.67</u>
Grand Total:	178,449.67